



# भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 2

PART II—Section 2

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 33] नई दिल्ली, शुक्रवार, नवम्बर 18, 1977/कार्तिक 27, 1899

No. 33] NEW DELHI, FRIDAY, NOVEMBER 18, 1977/KARTIKA 27, 1899

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation

## LOK SABHA

The following Bills were introduced in Lok Sabha on the 18th November, 1977.—

BILL No. 96 OF 1977

*A Bill to provide for the establishment of a Board for the development, promotion and protection of the coconut cultivation and to set up coconut based industries and for these purposes to levy a cess to create a coconut fund and for matters connected therewith*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Coconut Act, 1977.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint

2. It is hereby declared that it is expedient in the public interest that the Union should take under its control the matters connected with coconut cultivation and coconut industry.

Short  
title, ex-  
tent and  
commen-  
cement.

Declara-  
tion as  
to expedi-  
ency of  
control  
by the  
Union.

Defini-  
tions.

3. In this Act, unless the context otherwise requires,—

- (a) "arrack" means the refined liquor made out of toddy by distilling it;
- (b) "Board" means the Coconut Board constituted under section 4 of this Act;
- (c) "coconut" means the fruit of coconut tree;
- (d) "coconut based industry" means the industry in which material produced or derived out of coconut tree is used as raw material;
- (e) "coir or coir fibre" means fibre extracted from the husk of coconut;
- (f) "coir product" means all varieties of articles made wholly or partly from coir or coir fibre;
- (g) "copra" means dried kernell of coconut;
- (h) "cultivator" means any person engaged in coconut cultivation;
- (i) "export" means the taking out of India things by land, or air;
- (j) "gur" means gur made out of toddy;
- (k) "manufacturer" means any person engaged in the manufacture of any article in the making of which anything derived out of coconut tree is used as raw material;
- (l) "non-official" means a person who is not an official of any Government;
- (m) "oil" means oil extracted out of copra;
- (n) "shell oil" means the oil made from coconut shell;
- (o) "small cultivator" means the cultivator who does not have more than three acres of coconut gardens;
- (p) "toddy" means the country liquor made from coconut tree.

Constitu-  
tion of  
the  
Board.

4. (1) As soon as may be after the commencement of this Act, the Central Government shall, by notification in the Official Gazette, constitute for the purposes of this Act a Board to be called the Coconut Board.

(2) The Board shall be a body corporate by the name aforesaid having perpetual succession and a common seal with power to acquire and hold property, both movable and immovable, and to contract, and shall by the said name sue and be sued.

Composi-  
tion  
of the  
Board.

5. (1) The Board shall consist of—

- (a) one non-official as the Chairman to be appointed by the Central Government with the concurrence of the State Government of Kerala;
- (b) seven members from Kerala to represent the cultivators' interest, of whom three shall be the representatives of small cultivators;

(c) five members to represent the interest of cultivators of other coconut producing States;

(d) ten members to be nominated by the Central Government of whom two shall be from the agricultural labourers working in coconut cultivation, two from the workers of coconut based industries and two from the manufacturers;

(e) two representatives of the Coir Board;

(f) three members of Parliament, of whom one shall be from the Council of States and two from the House of the People.

(2) Any Officer deputed by Central Government to represent that Government on the Board shall have the right to attend the Board meetings and participate in the proceedings, but shall not be entitled to vote.

6. The Board shall elect from among its members a Vice-Chairman, who shall exercise such of the powers and perform such of the functions of the Chairman as may be prescribed or as may be delegated to him by the Chairman.

Vice-Chairman.

7. The Chairman and the members of the Board shall receive from the Board such allowances as may be prescribed by the Board.

Allowances to Chairman, etc.

8. There shall be an Executive Committee of the Board for the purposes of exercising such of the powers and performing such of the duties of the Board as may be prescribed or as the Board may delegate to it.

Executive Committee.

9. The Executive Committee shall consist of—

(a) the Chairman;

(b) the Vice-Chairman; and

(c) seven other members elected by the members of the Board from among themselves, of whom not more than two shall be Government officials, one from among the members representing agricultural workers working in coconut cultivation and one from the workers in coconut based industry.

Composition of the Executive.

10. The Board may constitute *ad hoc* committees which may include persons who are not members of the Board, but the number of such persons shall be less than one half of the total membership of an *ad hoc* Committee.

*Ad hoc* Committees

11. The Central Government shall, after consulting the Board, appoint a Secretary to the Board who shall exercise such powers and perform such duties as may be prescribed or as may be delegated to him by the Board or the Chairman.

Secretary.

12. Subject to such controls and restrictions, as may be prescribed, the Board may appoint such officers and employees as may be necessary for the efficient performance of the Board's functioning, and pay such salaries and allowances as it may determine from time to time.

Staff and their salaries, etc.

Functions  
of the  
Board.

13. (1) It shall be the duty of the Board to promote, in Co-ordination with the Governments in the States|Union territories, by such measures as it thinks fit, the development of coconut cultivation and coconut based industry, stabilisation of prices of coconut and coconut products and distribution of agricultural requirements at fair prices

(2) Without prejudice to the generality of the provisions of subsection (1), the measures referred to therein may provide for--

(a) promoting, undertaking, assisting or encouraging scientific, technological and economic research in different aspects of coconut cultivation, toddy preserving, oil extracting, shall oil making, coir manufacturing, etc.;

(b) maintaining and assisting research institutes in different centres in the country and for setting up a National Coconut Research Centre with top experts from India and abroad and with all the latest scientific and technical facilities, with the cooperation of Food and Agriculture Organisation of United Nations and other international agencies;

(c) organising seed farms, where hybrid and disease resistant varieties of coconut plants are developed;

(d) training of students in advanced methods of cultivation, manuring and treatment of coconut trees affected by disease;

(e) training of students in scientific techniques of toddy tapping, preserving toddy, making gur out of toddy, distilling it into arrack and in other occupations connected with coconut based industry;

(f) supply of technical and scientific advisers to coconut cultivators and entrepreneurs in coconut based industries;

(g) organising a public distribution system for the supply of fertilisers, agricultural implements, spare parts of the agricultural implements and other requirements of coconut cultivation;

(h) for organising coconut protection centres in various States with necessary implements and medicines for systematically fighting in a coordinated and centralised manner the various disease affecting coconut trees;

(i) organising centres in various States for providing agricultural implements, including power tillers, pump-sets etc., to the farmers on hire;

(j) setting up welfare centres for the small cultivators and workers engaged in coconut cultivation and industry;

(k) organising coconut corporations in each coconut producing State for the purpose of effectively intervening in the market with a view to ensure fair price to coconut producers, and if necessary, to fix a floor price for coconuts and coconut based products;

(l) promoting and setting up coconut based industries in various States;

(m) collecting statistics relating to various aspects of coconut cultivation, marketing and coconut based industries;

(n) securing better working conditions and facilities and improvement of amenities and incentives for workers;

(o) fixing grade standards and arranging, when necessary, for inspection of coconut based products,

(p) ensuring remunerative price for coconuts and all coconut based products;

(q) advising coconut producers and entrepreneurs on all matters relating to the development of coconut cultivation and coconut based industries;

(r) subsidy to small cultivators for the replanting in place of old coconut trees and also for replantation due to destruction of coconut trees by disease;

(s) arrangement of long and short term credit facilities on easy terms to the cultivators, for the purposes of the development of cultivation, with provision that repayment of such loans shall start only after the cultivator gets yield from the new trees;

(t) grant of liberal loans and subsidy to those cultivators who are engaged in planting coconut trees in waste lands;

(u) working out a comprehensive scheme for providing insurance protection to coconut trees

(3) The Board shall perform its functions under this section in accordance with and subject to such rules as may be made by the Central Government.

14. It shall be lawful for the Board, with the previous approval of the Central Government, to purchase coconut and coconut products in the internal market at such prices as the Central Government may fix.

Power for purchasing of coconut and coconut products by Board.

15. Before taking any action, which affects the interest of the Board under this Act, the Central Government shall ordinarily consult the Board:

Provided that no action taken by Central Government shall be invalid or called in question merely on the ground that the action was taken without consulting the Board.

Government to consult the Board

16. (1) All coconut gardens having twenty-five or more coconut trees shall be registered with the Board before the expiry of one month from the date of commencement of this Act.

Registration.

(2) All registered coconut gardens shall renew their registration every year.

17. No person shall sell or otherwise dispose of, buy or otherwise acquire coconut except under and in accordance with the terms of a general or a special licence issued by the Board.

Licensing of trade in coconut.

Restric-  
tion on  
possession of  
coconut.

18. No person not being a cultivator of coconut or a person who has acquired coconut under a general or a special licence issued by the Board under section 17 of this Act shall have any coconut in his possession except the coconut kept for domestic use the number of which shall not exceed hundred.

Registra-  
tion of  
estab-  
lish-  
ments  
produc-  
ing co-  
conut  
based  
products

19. All establishments, producing coconut based products, which are not registered or licensed under any other Act, shall register themselves with the Board within one month from the date of commencement of this Act.

Fees for  
registra-  
tion and  
licences.

20. (1) The Board may levy such fees as may be prescribed for the issue and renewal of licences under sections 16 and 17 of this Act.

(2) The Board may charge such fees as may be prescribed for registration of establishments under section 19 of this Act.

Power to  
fix maxi-  
mum and  
minimum  
price for  
coconut

21. (1) The Central Government may, by order to be published in the Gazette, fix the maximum and the minimum price for coconut for a specific period.

(2) If any person buys or sells or agrees to buy or sell coconut at a price which is more than the maximum price or less than the minimum price fixed under sub-section (1) of this section, he shall be punishable under section 28.

Power to  
fix maxi-  
mum and  
minimum  
price for  
coconut  
products.

22. (1) The Central Government may, by order to be published in the Gazette, fix the maximum and the minimum price for any or all coconut products.

(2) If any person buys or sells or agrees to buy or sell coconut products at a price which is more than the maximum price or less than the minimum price fixed under sub-section (1) of this section, he shall be punishable under section 28.

Levy and  
collection  
of coconut  
cess.

23. (1) With effect from such date, as the Central Government may by notification in the official Gazette specify, there shall be levied and collected, for the purposes of this Act,—

(a) a coconut cess on all coconuts produced and sold in India at such rate, not exceeding Rs. 2 per one hundred coconuts, as the Central Government may fix;

(b) a coconut cess by way of—

(i) a duty of excise on all coconut based products produced and sold in India at such rates as the Central Government may fix;

(ii) a surcharge at the rate of five per cent. on the sales tax on all the coconut based produces sold in India;

(iii) a duty of customs at the rate of five per cent. on all coconut products exported



(2) The cess levied under sub-section (1) shall be in addition to any other duty, surcharge, tax or charge leviable under any other law.

24. The proceeds of coconut cess levied under section 23 shall first be credited to the Consolidated Fund of India and the Central Government may, if Parliament, by appropriation made by law in this behalf, so provides, pay to the Coconut Fund from time to time, from out of such proceeds, such sums of money, as it may think fit.

Crediting proceeds of cess to Consolidated Fund of India.

25. (1) There shall be established a fund to be called the Coconut Fund to which shall be credited—

Establishment of Coconut Fund

(a) the proceeds of the cess made over to the Board by the Central Government under section 24;

(b) all licence fees collected under sub-section (1) of section 20;

(c) all registration fees collected under sub-section (2) of section 20; and

(d) all fines collected under section 28.

(2) The fund shall be applied towards meeting the expenses of the Board and the cost of measures referred to in sections 13 and 14.

26. The Central Government may, after due appropriation made by Parliament by law in this behalf, pay to each of the coconut growing States by way of grants such sums of money as the Central Government may consider it necessary.

Grants to States.

27. (1) The Board shall maintain proper accounts and other relevant records.

Accounts and annual Reports.

(2) The accounts of the Board shall be annually audited by the Comptroller and Auditor General of India.

(3) The Board shall send its annual audited accounts and report to the Central Government every year and the Government shall cause the same to be laid before each House of Parliament.

28. If any person contravenes any provision of this Act, he shall be punishable with imprisonment for a term which may extend to one year or with a fine of rupees three thousand or with both.

Penalties

29. (1) The Board shall study and review the functioning of any other body connected with coconut cultivation and coconut based industry and make recommendations to the Government for better, co-ordinated and effective functioning of such bodies.

Board to make recommendations to Government.

(2) The Board shall also study and review the working and implementation of various legislations connected with coconut cultivation and coconut industry and make recommendations in regard to matters connected thereto and suggest new legislation if necessary to be brought forward.

30. (1) The Central Government may by notification in the Gazette, make rules to carry out the purposes of this Act

Power to make Rules.

(2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if before the expiry of the session immediately following the session or the successive sessions as aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.



## STATEMENT OF OBJECTS AND REASONS

India is one of the biggest coconut producing countries in the world with coconut cultivation spread over in 10.22 million hectares in 13 States and producing an annual average of 5779 million coconuts, which value at current market price at about Rs. 3,500 million. There are only two other countries who are bigger than India in coconut cultivation. Philippines stands first in the world with 18 million hectares of coconut cultivation and an annual production of 7412 million nuts. The relative figures of Sri Lanka are 17.35 million hectares and 5441 million nuts respectively.

Besides coconut, the leaves, fibre and timber of coconut tree are valuable and are used for commercial purposes. Over ten million people are employed in coconut cultivation and coconut based industries. It is basically a small farmers' cultivation with the average size of the holding of only 0.20 hectare of land while more than 90 per cent cultivators are having a holding, the size of which is less than one hectare.

Nearly seventy-five per cent of coconut cultivation in India is concentrated in Kerala with 7.07 million acres of cultivation and an annual production of 3956.1 million coconuts. Other major coconut producing States are Karnataka, Tamilnadu, Andhra Pradesh, Goa, Orissa Maharashtra, Andaman and Nicobar Islands, West Bengal, etc.

Coconut cultivation and coconut based industries like coir, coconut oil extracting etc., contribute greatly to the national economy. It earns a lot of foreign exchange as many products of coconut based industries are exported, besides some are used as import substitutes.

But, unfortunately, coconut cultivation still gets hardly any serious attention from the Government. Therefore, it remains unorganised, disease affected, badly neglected and is getting perished. Some attention has been paid lately for the development of coconut based industries like coir, oil, etc., but far from satisfactory.

In the recent years the coconut cultivation is so badly affected by a serious virus disease which is now rapidly spreading in several parts of the country. As a result of neglect and lack of organised efforts this cultivation is now slowly on a decline.

Another important factor which adversely affects the coconut cultivation is the instability of prices for coconut. The price of coconut is at present left to the mercies of free market operations. As a result of this the coconut cultivators, who are mostly small cultivators, are not getting a reasonable price for coconuts. They are exploited to the marrows by the oil tycoons, who control the empire of edible oil.

Taking all these into account, this Bill provides for the setting up of a coconut Board for the promotion of the coconut cultivation, for setting up coconut based industries and for organised replanting of disease affected and old coconut trees, etc.

The Bill also provides for the creation of a Coconut Fund to be utilised for the promotion and development of coconut cultivation and coconut based industries.

Besides this the Bill provides for the Coconut Board to take adequate steps to ensure fair price for the coconuts and for the supply of fertilisers and other agricultural requirements to the cultivators at reasonable price.

In short, this is a Bill which seeks to provide institutional and financial guarantee for the promotion and development of coconut cultivation and coconut based industries.

NEW DELHI;  
*The 31st March, 1977.*

C. K. CHANDRAPPAN.

---

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF  
THE CONSTITUTION OF INDIA

[Copy of letter No. 19030(1)76-CAI, dated the 23rd May, 1977 from Shri Parkash Singh Badal, Minister of Agriculture and Irrigation to the Secretary-General, Lok Sabha.]

The Vice-President acting as President having been informed of the subject-matter of the Coconut Bill, 1977, proposed to be moved by Shri C. K. Chandrappan, Member Parliament, in the Lok Sabha, has recommended the introduction and consideration of the Bill in the Sabha under article 117(1) and 117(3) of the Constitution of India.

## FINANCIAL MEMORANDUM

Various clauses of the Bill provide for meeting of the administrative expenses by the Board. Under clause 13 the Board shall have to undertake many side activities. Expenses on this account will have to be met from the Coconut fund. Besides these, under clause 14, the Board might enter into market for certain purchases for which funds are to be made available. With a view to raise necessary resources for carrying out the purposes of this Act, clause 23 seeks to provide for levying of coconut cess. The proceeds of the coconut cess will be paid into the consolidated fund of India and out of such proceeds shall be paid by the Central Government through appropriation by Parliament, by law in this behalf, such sums of money to the Coconut Board as it thinks necessary according to clause 24.

Clause 26 provides for payment of grants to States under due appropriation by Parliament. The Central Government also will have to spend money in Union territories.

Expenditure may also be incurred on the collection of coconut cess to some extent.

In view of the above, a recurring expenditure of about rupees 50 crores is likely to be involved from the Consolidated Fund of India.

An approximate amount of Rs. 50 lakhs is likely to be required from the Consolidated Fund of India towards non-recurring expenses.

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

Clause 30 of the Bill empowers the Central Government to frame rules to carry out the purposes of the Act. As the rules will relate to matters of detail, the delegation of legislative powers is of a normal character.

## BILL NO. 95 OF 1977

*A Bill to provide for the establishment of a Board to safeguard the rights of children, students and youth, to look after their welfare and to levy a cess and for matters connected therewith*

Be it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Children, Students and Youth (Rights and Welfare) Act, 1977.

Short title, extent and commencement.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. It is hereby declared that it is expedient in the public interest that the Union should take under its control the matters connected with the rights and welfare of the children, students and youth.

Declaration as to expediency of control by the Union.

3 In this Act, unless the context otherwise requires,—

Definitions.

(a) "Board" means the Youth Rights and Welfare Board constituted under section 4;

(b) "Cess" means the cess levied under section 13;

(c) "children" means children below six years of age;

(d) "Children's Palace" means a well equipped place where children will be provided all facilities for entertainment, study and recreation;

(e) "creches" means creches where children are looked after;

(f) "School Parliament" means Parliament elected by students of every school for the purposes of getting training in Parliamentary democracy;

(g) "students" means students studying in any of the recognised educational institution in India;

(h) "youth" means any young person belonging to the age group of 15 to 30 years including the children between 6 to 15 years of age who are not students.

Estab-  
lish-  
ment  
and  
consti-  
tution of  
Youth  
Rights  
and  
Welfare  
Board.

4. (1) With effect from such date, as the Central Government may, by notification in the Official Gazette, specify in this behalf, there shall be established for the purposes of this Act a Board to be called the Youth Rights and Welfare Board.

(2) The Board shall consist of a Chairman and such number of other members not exceeding forty as the Central Government may think expedient, to be appointed by the Central Government by notification in the Official Gazette from among persons who are in its opinion capable of representing various sections as follows:

(a) five representatives of youth organisations;

(b) three representatives of students of whom one shall be of students' organisations and two representatives of National Union of students;

(c) three representatives of political parties;

(d) three representatives of Parliament of whom one shall be from the Council of States and two from the House of the People;

(e) two representatives each of teachers from primary schools, secondary schools and colleges;

(f) two representatives of the teachers of creches;

(g) four representatives of young women;

(h) seven representatives of the Government;

(i) three representatives of any special opinion or section, who in the opinion of the Government, ought to be represented in the Board.

Chairman  
and  
Vice-  
Chair-  
man  
of the  
Board.

5. (1) The Chairman shall be a non-official, nominated by the Central Government, who shall be entitled for salary and allowances which may be fixed by the Board.

(2) The Vice-Chairman shall be elected from among the members of the Board, who shall act as Chairman in the absence of the Chairman and also assist the Chairman in matters assigned to him.

6. (1) There shall be an Executive Committee of the Board for executing the decisions of the Board and to run the administration and day to day activities of the Board

Execu-  
tive  
Com-  
mittee.

(2) The Executive Committee shall consist of—

(a) the Chairman;

(b) the Vice-Chairman;

(c) eight members, elected by the members from among them, of whom there shall be three student representatives and two youth representatives but there shall not be more than two Government officials.

7. The Central Government shall, in consultation with the Board, appoint a Secretary who shall exercise such powers and discharge such duties as are assigned to him by the Board or are delegated to him by the Chairman.

Secr-  
tary.

8. The Board may appoint officers and staff subject to control and restrictions prescribed by the Board.

Staff.

9. (1) It shall be the duty of the Board to safeguard the rights of the children, students and youth and to look after their welfare.

Func-  
tions of  
the  
Board.

(2) The Board shall plan, co-ordinate, guide and ensure that the welfare measures provided for in this Act for children, students and the youth are implemented by the Union Government and State Governments.

(3) The Board shall handle the "Youth Welfare Fund".

10. The Executive Committee of the Board shall be responsible for the implementation of the decisions of the Board.

Func-  
tions of  
the Exe-  
cutive.

11 (1) The Central Government may dissolve the Board, if it deems it necessary.

Dissolu-  
tion of  
the Board.

(2) In the event of dissolution of the Board, all the assets and liabilities of the Board shall, during the period of dissolution, be vested in the Central Government

12. (1) Once a Board is constituted it shall be in office for three years, unless it is dissolved

Term of  
the  
Board.

(2) As soon as the term of the Board expires, the Central Government shall constitute a new Board in accordance with the provisions of this Act.

13.(1) With effect from such date, as may be specified by the Central Government by notification, there shall be levied and collected a Youth Welfare Cess for the purposes of this Act by way of a surcharge on income-tax, wealth tax, sales tax, property tax, all land taxes, death duty and corporate taxes at the rate specified in sub-section (3).

Levy and  
collec-  
tion of  
Youth  
Welfare  
Cess.

(2) The Cess levied under sub-section (1) shall be collected by such agencies and in such manner as may be prescribed.



(3) The rates of Youth Welfare Cess to be levied under sub-section (1) shall be as follows:—

- (a) 3 per cent on all income-tax which does not exceed Rs. 5,000;
- (b) 10 per cent on all income-tax which does not exceed Rs. 50,000;
- (c) 15 per cent on all income-tax which does not exceed Rs. 100,000;
- (d) 20 per cent on all income-tax which exceeds Rs. 100,000;
- (e) 5 per cent on all wealth tax;
- (f) 3 per cent on all sales tax;
- (g) 5 per cent on all property tax;
- (h) 25 per cent on all land taxes;
- (i) 10 per cent on death duty;
- (j) 2 per cent on all customs duty.

Crediting  
proceeds  
of cess  
to Con-  
solidated  
Fund of  
India.

14. The proceeds of the cess levied under section 13 shall first be credited to the Consolidated Fund of India and the Central Government may thereafter, from time to time, pay to the Board, such amounts the Board may require after deducting the expenses on collection of cess.

Grants to  
States.

15. The Central Government may after due appropriation made by Parliament by law in this behalf, pay to each of the States by way of grants such sums of money as the Central Government may consider necessary.

Estab-  
lishment  
of Youth  
Welfare  
Fund.

16. (1) There shall be established a Fund to be called the Youth Welfare Fund to which shall be credited—

(a) the proceeds of cess made over to the Board by the Central Government under section 14; and

(b) all fines collected under this Act.

(2) The Fund shall be applied towards meeting the expenses of the Board and the cost of measures taken by the Board under this Act.

Welfare  
measures  
for  
children.

17. (1) There shall be one creche each for a population of ten thousand, which shall be free for children.

(2) All establishments having more than 200 working mothers as their employees shall have one creche each.

(3) All children below the age of six years shall be admitted in creches.

(4) All children admitted in the creches shall be provided with free food, medical care, dress, toys, books and all other essential requirements.

(5) All children in creches shall have a uniform with a common design used for the entire country.

(6) There shall be one Children's Palace each for every 25,000 population.

(7) No creches shall be permitted to be set up exclusively for the children of the elite and to charge higher fee from the children.

18. (1) All children above the age of six years shall be compulsorily admitted in a school.

Welfare  
measures  
for stu-  
dent

(2) **There shall be one primary school for every 3,000 population, are secondary school for every 25,000 population and a college for every 50,000 population.**

(3) Parents whose children are not sent to schools at the age of six years shall be liable to a fine of Rs 500 or an imprisonment of six months or both.

(4) Only on adequate grounds of health any child shall be exempted from joining school.

(5) **Educations shall be compulsory and free upto the completion of primary stage and free upto the completion of secondary stage.**

(6) All "public schools" run on the pattern of British public schools for the children of elite shall be banned and abolished.

(7) **All students whose parents are having an income of less than Rs. 300 per month shall be provided with free midday meal, books, school uniform and other educational equipments, besides a grant of Rs. 100 each at the beginning of every academic year.**

(8) **In every school there shall be one cooperative store, through which all amenities of education and other requirements of school be sold at cheaper rates.**

(9) **Every educational institution shall have a library, reading room recreation centre and playground**

(10) **Every secondary school and college shall have a laboratory.**

(11) **All students in University classes the income of whose parents is below Rs 500 per month shall be provided free education;**

Provided that where more than one student from a family are studying in University classes such students shall be entitled for free education provided their parents' income is below Rs. 750 per month.

(12) **Any student who obtains more than 60 per cent of total marks shall be given a scholarship.**

(13) **Students belonging to Harijans, Tribals and Scheduled Castes be given free education at all levels and shall be given such other financial assistance which may be fixed by the rules made under this Act.**

(14) **There shall be one school Parliament in every school elected and democratically functioning**

(15) **There shall be a students' Union in every College, elected and democratically functioning**

(16) **There shall be a University Students Union in every University consisting of elected representatives of the college students Unions**

(17) **There shall be a National Union of students consisting of elected representatives of the University Students Unions**

(18) Students representatives shall be ensured 20 per cent of representation in all the University Courts/Senate and there shall be adequate students representation in Executive/Syndicate and all the administrative and academic bodies of all the Universities.

(19) No students or child shall be caned by teachers.

Welfare  
measures  
for the  
Youth

19. (1) Every youth shall have the right to work and shall be provided with an employment

(2) In case a youth is involuntarily unemployed, six months after he has been registered in an Employment Exchange for a job, he shall be given unemployment compensation, the criteria for which may be prescribed by the rules made under this Act.

(3) On completion of the age of 18 years, every youth shall have the right to decide about his or her marriage and divorce

(4) Any arbitrary interference in the matters relating to marriage and divorce by anyone shall be an offence for which he or she shall be liable to a fine upto Rs 5,000 or imprisonment upto three years, or both.

(5) Every married couple shall be provided with an accommodation for which they shall pay a percentage of their combined income as rent as follows:—

Combined income per month	Rent per month
Below Rs 500	3 per cent
Rs. 500 to Rs. 750	4 per cent
Rs. 750 to Rs 1000	5 per cent
Rs. 1000 to Rs. 1500	10 per cent
Rs 1500 and above	15 per cent

(6) There shall be one public recreation centre for the youth everywhere, where the population is not less than 20,000 and these centres shall be provided with coaches to train the youth regularly in sports and games.

(7) There shall be an open air theatre for every 10,000 population.

(8) In every Gram Panchayat there shall be one public library and in every ward one reading room but in cities and towns there shall be a reading room and a library for every 5,000 population.

(9) There shall be one playground for every 3,000 population.

(10) In every town there shall be at least one Stadium.

(11) Facilities for free medical check up shall be provided for the youth all over the country.

(12) Arrangements for cheaper medical care shall be made everywhere.

Measures  
for wo-  
men  
welfare

20. (1) The Board shall take special steps to ensure strict enforcement of all existing laws concerning women including laws in respect of prohibition of dowry, child marriage, child betrothal, immoral trafficking among women, and laws concerning registration of marriages and giving maternity benefits

---

(2) The Board shall investigate all matters relating to the implementation of all existing laws concerning welfare of women and suggest to the appropriate Government measures to make implementation of such laws more effective, and shall also suggest required changes in existing laws or shall suggest fresh legislation where it does not exist in a particular field of women welfare.

21. The Central Government may make rules for carrying out the purposes of this Act. Rules

22. The Board may make bye-laws consistent with the provisions of this Act and rules made thereunder. Bye laws.

## STATEMENT OF OBJECTS AND REASONS

The future of any country lies in the fact how its younger generation is looked after, moulded and taken into confidence. If a society succeeds in instilling in them a sense of confidence, spirit of responsibility and higher consciousness about their social obligations, nothing is a greater guarantee than that in building up a bright future. To achieve this the State should unhesitatingly guarantee the rights of the young people.

They should be looked after when they are children. They should have the right and facilities to educate themselves. They should have the right to work, the right to freely choose a partner in life without any interference. They must be provided with a decent means of livelihood. Everyone should have a roof over his head. All these should be provided and there should be statutory guarantee for these.

To mould the young in a democratic frame work, to give them training and practice in democracy, it is essential to provide for the smooth functioning of school Parliaments, students unions and National Union of Students as training grounds for democracy. The students representation in all the administrative and academic bodies of the Universities provides the students say in matters connected with university life.

These rights would make them more responsible as they would feel a sense of involvement and it would help to ease many a social tensions.

It is unfortunate that in India even today, the Government has not taken any serious step in this direction. The approach of the Government towards the problems of our young generation is unscientific and orthodox in many ways. It blames the youth for youth revolt and dealing their problems merely as a problem of law and order.

This kind of approach has proved to be a fiasco all over the world. In striking contrast to these, stands the creative policy and sympathetic approach towards the youth and their problems being pursued by Governments of the Socialist countries. They created conditions under which the younger generation is positively contributing towards social progress. They are happy and contented and they are no more the source of any social tension.

This Bill provides funds and institutional guarantees so that our youth, students and children would be provided with better conditions of life, studies and work and their rights ensured.

NEW DELHI;

C K CHANDRAPPA.

*The 1st April, 1977.*

---

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF  
THE CONSTITUTION OF INDIA

[Copy of letter No. L.11011/8/77-CDN, dated the 23rd June, 1977 from Dr. P. C. Chunder, Minister of Education and Social Welfare to the Secretary, Lok Sabha.]

The Vice-President acting as President having been informed of the subject matter of the proposed Bill recommends to the House the introduction and consideration of the Bill under article 117(1) and 117(3) of the Constitution.

## FINANCIAL MEMORANDUM

Under clause 14 of the Bill, proceeds of Youth Welfare Cess shall first be paid into the Consolidated Fund of India and out of such proceeds shall be paid such sums of money to the Youth Welfare Board as the Board may require for carrying out its functions

As the Government would have to implement various welfare measures provided for in clauses 17, 18 and 19 of the Bill, clause 15 thereof provides for payment of grants to States. The Central Government will also have to spend moneys on welfare measures in the Union territories.

The collection of Youth Welfare Cess under clause 13 will also involve some expenditure from the Consolidated Fund of India.

In view of the above, a recurring expenditure of about rupees fifty crores is likely to be involved from the Consolidated Fund of India.

A non-recurring expenditure of about rupees two hundred crores is also likely to be involved from the Consolidated Fund of India.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 21 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Act. As the rules will relate to matters of detail, the delegation of power is of a normal character.



## BILL No. 94 OF 1977

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India, as follows —

1. (1) This Act may be called the Constitution (Amendment) Act, 1977.

Short  
title and  
com-  
mence-  
ment.

(2) It shall come into force at once.

2. After article 342 of the Constitution, the following new article shall be inserted namely:—

Insertion  
of new  
article  
342A.

**“342A. (1) There shall be a Special Officer for women to be appointed by the President.**

Special  
officer for  
women.

(2) It shall be the duty of the Special Officer to investigate all matters relating to the safeguards provided for women under this Constitution on matters concerning their socio-economic and political status, and to report to the President upon those matters at such intervals as the President may direct, and the President shall cause all such reports to be laid before each House of Parliament and sent to the Governments of States concerned.”

## STATEMENT OF OBJECTS AND REASONS

Despite the constitutional guarantees and numerous legislations for providing equal status to women, the fact remains that the women in India are even today treated as second class citizens and inferior beings. Women are socially oppressed and economically dependent. This stands in the way of the emancipation of women and contributes greatly to the social backwardness of our country.

The condition of women would improve considerably, if proper implementation of several legislations which are meant for improving the socio-economic status of women, is ensured. Only under that condition, the constitutional safeguards provided to women would also have meaning. Today this guarantee is totally absent and everything is left to the mercies of the executive and administration. They are in no way accountable to Parliament.

As this is the situation, the bureaucrats and the Government often take a callous attitude towards the problems relating to the social status of women. It is necessary to put an end to this situation so that social progress would not be retarded.

Hence this Bill.

NEW DELHI;

The 1st April, 1977.

C. K. CHANDRAPPAN

---

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE  
CONSTITUTION OF INDIA

[Copy of letter No. F. 4-3/77-WW, dated the 28th May, 1977 from Dr. P. C. Chunder, Minister of Education and Social Welfare to the Secretary-General, Lok Sabha]

The Vice-President acting as President, having been informed of the subject matter of the above proposed Bill recommends it under article 117(3) of the Constitution for consideration by the Lok Sabha.

### FINANCIAL MEMORANDUM

Clause 2 of the Bill provides for appointment of a Special Officer for women. An estimated recurring expenditure of rupees two lakhs is likely to be involved from the Consolidated Fund of India on account of salaries of the Special Officer and his staff and other office expenses.

A non-recurring expenditure of about rupees fifty thousand is also likely to be involved.

## BILL No. 93 OF 1977

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title.

1. This Act may be called the Constitution (Amendment) Act, 1977.

Insertion  
of new  
article  
326A.

2. After article 326 of the Constitution, the following new article shall be added, namely:—

“326A. The elections to the House of the People and to the Legislative Assembly of every State shall be on the basis of proportional representation, that is to say, the political parties which are contesting the elections shall be given seats in the respective bodies on the basis of the proportion of votes polled by them, and in the manner as may be decided by Parliament by law.”.

### STATEMENT OF OBJECTS AND REASONS

Since our electoral system has revealed several weaknesses, the country is discussing various aspects of electoral reforms. It is necessary for us to evolve a new system which would make democracy more meaningful, vital and strong.

One of the serious weaknesses of the present electoral system is that the candidates who are elected, may not really represent the will of the electorate in many cases. A candidate, who is elected in a multi-cornered contest, might be one who could not even get the required number of votes to save his deposit. In multi-cornered contests in most of the constituencies in the country, the Party, which might sweep the polls and get a big majority in the House, might have got only a very low percentage of the total votes polled. In the event of combined forces of opposition meeting the same party at polls, it might lose so heavily with the same percentage of votes, simply because it had to face a combined opposition. In the recent election to the Sixth Lok Sabha, the country has witnessed this spectacle.

As this is the case, on many occasions the will of the electorate is so badly distorted that it might hardly reflect the decision of the electorate. This can be remedied to a considerable extent by adopting proportional representation.

Besides this, an election on the basis of proportional representation would help considerably to do away with the unhealthy influence of casteism, communalism, regionalism and such other dangerous trends. It would be difficult for money-power also to influence the elections. This system would check the mushroom growth of splinter political parties and groups, besides eliminating the menace of the so called independents from the field of elections.

Hence this Constitution amendment seeks to introduce proportional representation in the elections.

NEW DELHI;  
*The 1st April, 1977.*

C. K. CHANDRAPPA.

## BILL No 73 OF 1977

*A Bill further to amend the Income-tax Act, 1961.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title.

1. This Act may be called the Income-tax (Amendment) Act, 1977.

Amend-  
ment of  
section  
10.

2. In section 10 of the Income-tax Act, 1961, after clause (30), the following clause shall be inserted, namely:—

“(31) In the case of an assessee, who is an association or body of individual citizens of India which is registered with the Election Commission of India as a political party under the Election Symbols (Reservation and allotment) Order, 1968 as in force for the time being, **any** income derived from the sources notified by the Central Government in this behalf.”.

## STATEMENT OF OBJECTS AND REASONS

Under the present Income-tax Act, the income of political parties is taxed which causes a lot of harassment to all the political parties. A political party functions to create political awareness among the people and, thus, educates the masses. There is no profit motive in the case of the political parties.

This Bill seeks to remove the present difficulty.

NEW DELHI;

KANWAR LAL GUPTA.

*The 6th May, 1977.*

PRESIDENT'S RECOMMENDATION UNDER ARTICLES 117 AND  
274 OF THE CONSTITUTION OF INDIA

[Copy of letter No. 155(12)/77-TPL, dated the 27th June, 1977 from Shri H. M. Patel, Minister of Finance to the Secretary, Lok Sabha]

The Vice-President acting as President, having been informed of the subject matter of the proposed Bill, has recommended under clause (1) of Article 117 and clause (1) of Article 274 of the Constitution the introduction of the Bill in the Lok Sabha by Shri Kanwar Lal Gupta, M.P.



## BILL NO. 111 OF 1977

*A Bill to rename the Andaman and Nicobar Islands as Shahid and Swaraj Dweep.*

Be it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title and  
com-  
mence-  
ment.

1. (1) This Act may be called the Andaman and Nicobar Islands (Alteration of Name) Act, 1977.

(2) It shall come into force on such date, within three months after the date of its enactment, as the Central Government may, by notification in the Official Gazette, appoint.

Alter-  
ation of  
name of  
Andaman  
and  
Nicobar  
Islands.  
Amend-  
ment of  
First  
Schedule  
to the  
Constitu-  
tion.

2. As from the date of enforcement of this Act, the Union territory of Andaman and Nicobar Islands shall be known as the Union territory of Shahid and Swaraj Dweep.

3. In the First Schedule to the Constitution, under the heading "II. THE UNION TERRITORIES", in entry 2, for the words "The Andaman and Nicobar Islands", the words "Shahid and Swaraj Dweep" shall be substituted.

## STATEMENT OF OBJECTS AND REASONS

Andaman and Nicobar Islands were the first liberated territory of India which went under the administration of the Provisional Government of Free India in 1943. During the end of the year, Netaji Subhas Chandra Bose, Head of the Provisional Government of Free India, officially visited Port Blair and raised the banner of Indian freedom on the soil of Andaman. On this occasion, in a national ceremony held as State function at Port Blair, Netaji renamed Andaman and Nicobar Islands as Shahid and Swaraj Dweep in exaltation of the objective of Indian independence movement and of the martyrs who underwent inhuman suffering and sacrifice as prisoners in the black hole of Andaman Cellular Jail.

The issue was raised in the House in the form of a Bill in 1972, which received unanimous support from all members of the House belonging to different parties. However, debate on the Bill was adjourned and since then the House got no opportunity to revive discussion on the deferred Bill.

In an effort to honour the great history of the Azad Hind Revolution created under the leadership of Netaji and his INA, the names of the Andaman and Nicobar Islands should be renamed as Shahid and Swaraj Dweep.

Hence this Bill.

NEW DELHI;

SAMAR GUHA.

The 20th June, 1977.

---

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 3 OF THE  
CONSTITUTION OF INDIA

[Copy of letter No. U-16017/1/77-UTL, dated the 3rd October, 1977 from Shri Dhanik Lal Mandal, Minister of State in the Ministry of Home Affairs to the Secretary, Lok Sabha.]

The President having been informed of the subject matter of the Bill referred to above, recommends the introduction of the Bill in the Lok Sabha under the proviso to article 3 of the Constitution.

## BILL NO. 97 OF 1977

*A Bill to consolidate and amend the law relating to the salaries and allowances of Ministers*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title  
and  
commence  
ment.

1. (1) This Act may be called the Salaries and Allowances of Ministers Act, 1977.

(2) It shall come into force from the 1st day of April, 1978.

Defini-  
tion.

2. In this Act, "Minister" means a member of the Council of Ministers by whatever name called, and includes a Deputy Minister.

Salaries  
of Min-  
isters.

3. (1) There shall be paid to each Minister, other than a Deputy Minister, a salary of thirty-seven thousand and five hundred rupees per mensem, and to each Deputy Minister a salary of sixteen thousand, two hundred and fifty rupees per mensem.

(2) Notwithstanding anything to the contrary contained in any other law for the time being in force, the whole of the salary paid as aforesaid to a Minister or Deputy Minister shall be included in his total income under the head "Salary" for purposes of being charged to income-tax under the Income-Tax Act, 1961.

4. (1) Each Minister shall be entitled to the use of and shall reside in an official furnished residence throughout his term of office and he shall pay in respect thereof the following charges, that is to say—

Residence  
of Minis-  
ters.

Particulars of charges	In respect of	
	A Minister	A Dy. Minister
	Charge (Rupees per mensem)	Charge (Rupees per mensem)
(i) Rent, Rates and Taxes, and Decoration Maintenance and Repairs of the Premises consisting of a fully furnished residence (equipped with all necessary appliances and a telephone) together with staff quarters and other buildings appurtenant thereto and the gardens thereof	2,200	1,600
(ii) Salaries and allowances of gardeners, watchmen and sweeper	500	500
(iii) Electricity, Water and Telephone	300	300

(2) On the relinquishment of office by a Minister, whether by resignation, retirement or otherwise, he shall be entitled to continue to have the use of the furnished residence for a period of one month immediately after such relinquishment, free of rent and all other charges.

(3) In the event of the death of a Minister, his family shall be entitled to continue to have the use of the furnished residence occupied by the Minister for a period of two months immediately after his death, free of rent and all other charges.

5. No sumptuary allowance or any other allowance of the nature of entertainment allowance shall be granted to any Minister other than the Prime Minister who shall be paid such allowance as may be provided under the rules made in this behalf by the Central Government.

Sumptu-  
ary al-  
lowance.

6. (1) Subject to any rules made in this behalf by the Central Government, a Minister shall be entitled to—

Travell-  
ing and  
daily al-  
lowances

(a) travelling allowance for himself and the members of his family and for the transport of his and his family's effects—

(i) in respect of the journey to Delhi from his usual place of residence outside Delhi for assuming office; and

(ii) in respect of the journey from Delhi to his usual place of residence outside Delhi on relinquishing office; and

(b) travelling and daily allowance in respect of tours undertaken by him in the discharge of his official duties, whether by sea, land or air.

(2) Any travelling allowance payable under this section shall be paid by a crossed cheque drawn on a bank or free official transport may be provided in lieu thereof.

(3) There shall be deducted from every Minister's salary the sum of six hundred rupees per mensem to recover the cost of travelling undertaken by him during the year for private, personal and political purposes and included in the travelling allowance paid to him as aforesaid and for private and personal use of official transport.

Medical  
Treat-  
ment, etc

**7. Subject to any rule made in this behalf the Central Government, a Minister and the members of his family shall be entitled free of charge to accommodation in hospitals maintained by the Government and also to medical treatment. . .**

Advance  
to Minis-  
ters for  
purchase  
of Motor  
Cars.

**8** There may be paid to any Minister by way of a repayable advance such sum of money as may be determined by rules made in this behalf for the purchase of a motor car in order that he may be able to discharge conveniently and efficiently the duties of his office, provided however that such advance shall bear interest at ten per cent per annum.

Ministers  
not to  
draw  
salary or  
allowanc-  
es as  
Members  
of Parlla-  
ment.

**9.** No person in receipt of a salary or allowance under this Act shall be entitled to receive any sum out of funds provided by Parliament by way of salary or allowance in respect of his membership of either House of Parliament.

Notifica-  
tion res-  
pecting  
date of  
appoint-  
ment etc.  
of Minis-  
ters.

**10.** The date on which any person becomes or ceases to be Minister shall be published in the Official Gazette, and any such notification shall be conclusive evidence of the fact that he became, or ceased to be Minister on that date for all the purposes of this Act.

Power  
to make  
rules.

**11. (1)** The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

**(2)** All rules made under this Act shall be laid before both Houses of Parliament as soon as may be after they are made.

Repeal  
of Act  
LVIII of  
1952.

**12.** The Salaries and Allowances of Ministers Act, 1952 is hereby repealed.

## STATEMENT OF OBJECTS AND REASONS

The main object of this Bill is to make clear to the public the true extent of the over-all emoluments now being received by the Council of Ministers of the Central Government and to indicate to the taxpayer in particular the true cost thereof.

It therefore, seeks firstly, to evaluate in money terms the various benefits, perquisites and amenities which the Ministers presently enjoy free of all taxes, and secondly, to enhance their gross salaries to an adequate level so that—

(a) the net salary of the Ministers after tax may be such that there may be enough left over with them to pay for all the benefits, perquisites and amenities on the scale at which they presently enjoy them (without any payment and free of tax); and

(b) the balance then left over with them, i.e., their "take-home" pay after making all payments both for taxes and for perquisites etc. should be not less than their present net "take-home" emoluments.

It is not intended to make, nor does the Bill in fact make, any substantial change, whether by way of increase or decrease, in the money value of the present aggregate real emoluments of the Ministers (inclusive of allowances, benefits, perquisites and amenities).

NEW DELHI;  
*The 27th June, 1977.*

P. K. DEO

---

PRESIDENT'S RECOMMENDATION UNDER ARTICLES 117 AND  
274 OF THE CONSTITUTION OF INDIA

[Copy of letter No. 8/2/77-States, dated the 9th September, 1977 from Shri Dhanik Lal Mandal, Minister of State in the Ministry of Home Affairs to the Secretary, Lok Sabha.]

The President having been informed of the subject matter of the proposed Bill to consolidate and amend the law relating to the Salaries and Allowances of Ministers, recommends the introduction of the Bill by Shri P K Deo in Lok Sabha under article 117(1) and 274(1) of the Constitution and the consideration of the Bill in the Lok Sabha under article 117(3) of the Constitution.

## NOTES ON CLAUSES

*Long Title:*

The Bill seeks to consolidate (and also to amend and supplement) the law relating to the Salaries & Allowances of Ministers, at present contained in Act LVIII of 1952 as amended by Act 47 of 1969.

*Clause 1:*

Seeks to bring the new Act into effect from 1st April 1978 so as to allow a short period of transition.

*Clause 2:*

Repeats the "Definition" of Minister contained in Act LVIII of 1952.

*Clause 3:*

Seeks to reflex the Salaries of Ministers and Deputy Ministers at such a level that:

(a) after payment by them of the full income-tax and surcharge thereon at the rate now in force for deduction of tax from salaries, and

(b) after payment by them for the various perquisites benefits and amenities as set out in clauses 4(i) and 6(iii) of the Bill,—  
they may receive virtually the same, (in fact very slightly more), net "take-home" emoluments (inclusive of Sumptuary Allowance as regards all Ministers other than Deputy Ministers), as they would now.

Table of comparative Annual Emoluments  
(At present and As proposed)

	Minister		Deputy Minister	
	Present Rs.	proposed Rs.	Present Rs.	proposed Rs.
1. Salary . . . . .	27,000	450,000	21,000	1,95,000
2. Sumptuary Allowance . .	6000*	Nil	Nil	Nil
	33,000	450,000	21,000	1,95,000
Less Tax. . . . .	5,280	378,950	3,080	140,800
	27,720	71,050	17,920	54,200

\*Tax free.



**3. Balance**

Less : Deductions for Rent . . . . .	Nil	26,400	Nil	19,200
Staff salaries . . . . .	Nil	6,000	Nil	6,000
Electricity, Water and Telephone . . . . .	Nil	3,600	Nil	3,600
Travel and Transport . . . . .	Nil	7,200	Nil	7,200
4. Total Deductions . . . . .	Nil	43,200	Nil	36,000
5. Net "Take-Home" emoluments . . . . .	27,720	27,850	17,920	18,200

**Clause 4:**

Sub-Clause (1) seeks to specify the perquisites, benefits and amenities to be provided to the Ministers on payment by them at the scale there prescribed. Particulars of these have been ascertained from the following official sources:

Answers to various "Starred" and "Unstarred Questions" and various "Papers laid on the Table" concerning these matters in the Lok Sabha and Rajya Sabha in 1968, 1969 and 1970 (up to August).

The money values of the perquisites, benefits and amenities have been conservatively estimated, at considerably less than their market values, so as to cause no hardship.

Sub-clause (2) and (3) provide that no payment for any perquisite etc. need be made for a period of one month following the relinquishment of his office by a Minister and for a period of two months following the death of a Minister.

**Clause 5:**

Seeks to prohibit the payment of any 'Sumptuary' or other allowance of the nature of "entertainment" allowance to any Minister, other than the Prime Minister. However, in fixing the gross salary of all Ministers (other than Deputy Ministers, but including the Prime Minister) care has been taken to ensure that their net emoluments (after tax and after payment for perquisites, benefits and amenities) shall enable them to incur expenditure up to Rs. 6000.00 p.a. on entertainment.

**Clause 6:**

Sub-clause (3) seeks to require every Minister to pay Rs. 7200/- p.a. for that portion of his "official travelling" which is deemed to be reasonably attributable to personal, political and private purposes and for the personal and private use of official transport. However, as in the case of all other benefits and amenities, this requirement has been taken into account in so fixing the gross salary of Ministers under clause 3(1) of the Bill that they may not be out of pocket by reason of this change.

**Clauses 7 to 11:**

These are self-explanatory and make no change in the present position.

**Clause 12:**

Seeks to repeal Act LVIII of 1952.

## FINANCIAL MEMORANDUM

1. Clause 3 of the Bill involves additional expenditure on the Salaries of Ministers as follows:

In the case of Ministers (ther than Deputy Ministers)	Rs. 4,23,000 (gross) per Minister per annum.
In the case of Deputy Ministers	Rs. 1,74,000 (gross) per Dy. Minister per annum.

2. Almost the whole of this will be recouped mainly by certain recoveries to be made from the Ministers and partly by the abolition of their Sumptuary Allowance, as shown below:

Particulars	Amount Rs.		Clause of the Bill
	Minister	Dy. Minister	
a. Additional Income Tax and Surcharge (at 1971-72 rates) . . . . .	373,670	137,720	3(2)
b. Recovery of charge towards :			
(i) Rent, Rates & Taxes and repairs, decoration and maintenance of furnished residence and building appurtenant thereto including staff quarters .	26,400	19,200	4(1)
(ii) Salaries of necessary staff attached thereto . . . . .	6,000	6,000	..
(iii) Electricity, Water and Telephone .	3,600	3,600	..
(iv) Travelling for private, personal and Political purposes included in T.A./D.A. Bills.			
(v) Private use of official transport . .	7,200	7,200	..
c. Abolition of Sumptuary Allowance . .	6,000	*	..
	422,870	173,720	..

\*Deputy Ministers get no Sumptuary Allowance.

3. Hence, the net additional expenditure involved under the Bill will be (Rs. 423,000 — 422,870) = Rs. 130 per annum per Minister and (Rs. 174,000 — 173,720) = Rs. 280 per annum per Dy. Minister.

4. Accordingly, the total net additional expenditure involved under this Bill estimated at less than Rs. 10,000 per annum as follows:—

In respect of 37 Ministers —(130 × 37).	Rs. 4,810
In respect of 18 Deputy Ministers—(280 × 18)	Rs. 5,040
TOTAL . . . . .	Rs. 9,850

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

The extent of rule making power under clause 11 of the Bill is well within the scope of Delegated Legislation

## BILL No. 101 OF 1977

*A Bill further to amend the High Court Judges (Conditions of Service) Act, 1954.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title and  
com-  
mence-  
ment.

1. (1) This Act may be called the High Court Judges (Conditions of Service) Amendment Act, 1977.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Insertion  
of new  
section  
23E.

2. After section 23D of the High Court Judges (Conditions of Service) Act, 1954, the following section shall be inserted, namely:—

28 of 1954

Submis-  
sion of  
annual  
return of  
property.

“23E Every Judge including the Chief Justice shall submit an annual return of property (movable and immovable) held by him and his family members to the President of India.”.

## STATEMENT OF OBJECTS AND REASONS

Our Constitution contains various safeguards to ensure the independence of Judges. Various improvements in the conditions of service of the High Court Judges were brought about by the High Court Judges (Conditions of Service) Amendment Act, 1976. The principal Act of 1954, however, does not contain any provision for the submission of returns of movable and immovable properties held by the High Court Judges and their dependent family members. It is desirable that necessary provision be inserted in the principal Act requiring the Judges of the High Courts to submit their annual returns of properties to the President of India. This would be in consonance with the high traditions of Judiciary and would further strengthen the rule of Law.

Hence the Bill.

NEW DELHI;  
*The 2nd July, 1977.*

OM PRAKASH TYAGI.

## BILL No. 124 OF 1977

*A Bill further to amend the National Highways Act, 1956.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title and  
Commence-  
ment.

1. (1) This Act may be called the National Highways (Amendment) Act, 1977.

(2) It shall come into force at once.

Amend-  
ment of  
section 2.

2. In section 2 of the National Highways Act, 1956, in sub-section (1), the words "except such parts thereof as are situated within any municipal area" shall be deleted.

48 of 1956.

## STATEMENT OF OBJECTS AND REASONS

At present, the development or maintenance of the parts of highways, situated in municipal areas, is vested, with the municipalities because under section 2(1) such parts of highways are not national highways. As a result, the Central Government is not maintaining those parts of the highways.

Many municipalities are not able to maintain the highways because of paucity of funds and therefore they are not in good condition.

Therefore, this Bill seeks that even those parts of the highways, situated in municipal areas, should form part of the national highways so that they may be properly maintained.

Hence this Bill.

NEW DELHI;

P. RAJAGOPAL NAIDU

*The 4th July, 1977.*

## FINANCIAL MEMORANDUM

Clause 2 of the Bill seeks to declare the parts of highways falling in municipal areas as national highways so that the responsibility of their development and maintenance lies with the Central Government. The Bill, therefore, if enacted, is likely to involve expenditure from the Consolidated Fund of India to the tune of about Rs. 20,00,000/- annually.

2. No non-recurring expenditure is likely to be incurred.



## BILL No. 99 OF 1977

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Amendment) Act, 1977.

Short  
title.

2. In the Eighth Schedule to the Constitution,—

Amend-  
ment of  
Eighth  
Schedule.

(a) entries 9 to 15 shall be re-numbered as entries 10 to 16 respectively, and

(b) before entry "10" as so re-numbered, the entry "9. Nepali" shall be inserted.

## STATEMENT OF OBJECTS AND REASONS

Nepali is a daughter language of Sanskrit. The Nepali script is definitely Indian, as there is no difference between the Nagari script used for modern Hindi and the script used for modern Nepali. Bengali and Nepali languages have very close affinity.

There are two to three crores of Nepali-speaking people in India. The actual figure might be much higher, as Nepali is one of the dominant languages of the lower Himalayan and sub-Himalayan regions. As a matter of fact, Nepali is a kind of *lingua franca* used widely throughout the Himalayan area.

It is, therefore, in the fitness of things that this language be added to the Eighth Schedule of the Constitution.

Hence this Bill

CHITTA BASU.

NEW DELHI;

The 12th July, 1977.

## BILL No. 107 OF 1977

*A Bill further to amend the Industrial Disputes Act, 1947*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. This Act may be called the Industrial Disputes (Amendment) Act, 1977. Short title.

14 of 1947.      2. In sub-section (2) of section 12 of the Industrial Disputes Act, 1947, after the words “amicable settlement of the dispute”, the words “and for this purpose he shall have power to summon and enforce the attendance of both the parties to the dispute”, shall be inserted. Amendment of section 12.

## STATEMENT OF OBJECTS AND REASONS

The work of the conciliation officer in settling the industrial disputes is becoming very difficult since ordinarily the managements do not appear before the officers to help conciliation. It has become necessary to compel both the parties to the dispute to appear before the officer to facilitate easy settlement of disputes.

The Bill seeks to achieve the above objects.

NEW DELHI;  
*The 19th July, 1977.*

P. RAJAGOPAL NAIDU

## BILL NO 104 OF 1977

*A Bill further to amend the Workmen's Compensation Act, 1923*

BE it enacted by Parliament in the Twenty-eighth year of the Republic of India as follows:—

1. This Act may be called the Workmen's Compensation (Amendment) Act, 1977.

Short  
title.

8 of 1923

2. In the Workmen's Compensation Act, 1923, in sub-section (1) of section 2, after sub-clause (ii) of clause (n), the following sub-clause shall be inserted, namely:—

Amend-  
ment of  
section 2.

“(vi) a farm worker employed by a land owner on the basis of annual payment of wages.”.

## STATEMENT OF OBJECTS AND REASONS

Hitherto only the industrial workers are eligible to receive compensation for injury by accident. The farm workers who are working under land owners on the basis of annual payment of wages are not included under the definition of workman. The Bill intends to extend the facility of receiving compensation for injury by accident to the farm workers also.

NEW DELHI:

P. RAJAGOPAL NAIDU

*The 19th August, 1977*

## BILL NO. 102 OF 1977

*A Bill further to amend the Code of Criminal Procedure, 1973.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. This Act may be called the Code of Criminal Procedure (Amendment) Act, 1977.

Short  
title.

2 of 1974.      2 In the First Schedule to the Code of Criminal Procedure, 1973,—

Amend-  
ment of  
First  
Schedule.

45 of 1860      (i) in the entry relating to section 171E of the Indian Penal Code, in column 4, for the word "Non-cognizable" the word "Cognizable" shall be substituted; and

45 of 1860      (ii) in the entry relating to section 171F of the Indian Penal Code, opposite paragraph 1, in column 4, for the word "Ditto" the word "Non-cognizable" shall be substituted.

## STATEMENT OF OBJECTS AND REASONS

In order that an election is a genuine reflection of the will of the electorate, it is imperative that improper inducements, whether in money or in kind, which vitiate the free operation of the electoral processes are effectively checked. Under section 171B read with section 171A (b) of the Indian Penal Code, bribery in connection with the exercise of electoral rights—the right to contest and the right to vote—is already an offence and section 171E prescribes punishment therefor. Under the Code of Criminal Procedure, however, this offence is non-cognizable. In order that effective action is ensured against the offence, it is necessary that the offence is made cognizable.

Hence this Bill.

NEW DELHI;  
*The 21st July, 1977.*

K. T. KOSALRAM.



## BILL No. 121 OF 1977

*A Bill to amend the Tobacco Board Act, 1975.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. This Act may be called the Tobacco Board (Amendment) Act, 1977.

Short  
title.

4 of 1975.

2. In the Tobacco Board Act, 1975, in section 4,—

(i) in sub-section (3), after the words “The head office of the Board shall be”, the word “permanently” shall be inserted;

Amend-  
ment of  
section 4

(ii) in sub-section (4),—

(a) in clause (a), after the words “Central Government”, the words “from amongst growers of tobacco” shall be added;

(b) in clause (c), after the words “the Central Government”, the words “, without right to vote,” shall be inserted;

(c) for clause (e), the following clause shall be substituted, namely:—

“(e) not more than eight members to be appointed by the Central Government from amongst growers of tobacco.”;

(d) after clause (e), the following sub-clause shall be added, namely:—

“(f) not more than six members to be appointed by the Central Government from amongst dealers and exporters (including packers) of tobacco and tobacco products, manufacturers of tobacco products and from amongst persons who, in the opinion of the Central Government, are experts in tobacco marketing or agricultural economics

(g) two members to be appointed by the Central Government from amongst the workers of tobacco fields and factories.”.

## STATEMENT OF OBJECTS AND REASONS

In the Tobacco Board Act, proper representation has not been given to growers of tobacco and workers of tobacco fields and factories, on the Tobacco Board. Even the appointment of Chairman is generally made from amongst those who are not growers of tobacco. As per present constitution of the Tobacco Board, the interests of growers of tobacco are not protected. The Bill seeks to rectify this defect by increasing representation of the growers of tobacco on the Board. It also provides that the Chairman should be appointed from amongst the growers of tobacco to protect their interests. It also seeks to give representation to the workers of tobacco fields and factories on the Board.

NEW DELHI;  
*The 22nd July, 1977.*

P. RAJAGOPAL NAIDU.

## FINANCIAL MEMORANDUM

Clause 2 of the Bill seeks to increase the number of members of the Tobacco Board. Recurring expenditure is, therefore, likely to be involved from the Consolidated Fund of India on account of payment of salaries and allowances, etc. to the members of the Board. However, the extent of such expenditure will depend on the number and duration of meetings and as such cannot be estimated.

2. No non-recurring expenditure is likely to be involved.

## BILL NO. 112 OF 1977

*A Bill further to amend the Constitution of India.*

Be it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Amendment) Act, 1977.
2. For article 335 of the Constitution, the following article shall be substituted, namely:—

“335. (1) Notwithstanding anything in this Constitution, twenty-five per cent. of the vacancies and posts in connection with the affairs of the State shall be reserved for the members of the Scheduled Castes and the Scheduled Tribes.

(2) The Vacancies reserved under clause (1), which cannot be filled due to non-availability of candidates belonging to the Scheduled Castes and Scheduled Tribes in a particular year, shall be carried forward and added to the normal reservations during the immediately following period of two years:

Provided that the number of normal yearly reserved vacancies together with such vacancies carried forward from the previous years

Short  
title.

Substitu-  
tion of  
article  
335

Claims of  
Scheduled  
Castes and  
Scheduled  
Tribes to  
services  
and  
posts

in the aforesaid manner shall not exceed seventy per cent. of the total number of vacancies in any recruitment year.

(3) In this article, unless the context otherwise requires, 'the State' includes the Central Government, Parliament of India, the Government and the Legislature of each of the States, Union territories, all local or other authorities within the territory of India or under the control of the Government of India or Cooperative Societies or Companies registered or set up under an Act of Parliament or of a State Legislature and are financed wholly or partly by the Government of India or a State Government or by any local or statutory authority."

## STATEMENT OF OBJECTS AND REASONS

Article 46 of the Constitution enjoins upon the State, *inter alia*, to promote with special care the educational and economic interests of the weaker sections of the people, and, in particular, of the Scheduled Castes and the Scheduled Tribes. The existing article 335 of the Constitution which stipulates that the claims of the members of the Scheduled Castes and Scheduled Tribes shall be taken into consideration in the making of appointments to services and posts in connection with the affairs of a State is quite inadequate in the context of industrial undertakings, cooperative societies and expansion of commercial activities of the State on the one hand and the growing economic backwardness of the Weaker sections of the society on the other. It is but natural that the advanced communities swallow the most of the job opportunities in the absence of effective reservation quota commensurate with the present needs of the members of the Scheduled Castes and Scheduled Tribes.

This yawning gap cannot be narrowed, if not removed, unless the reservation quota for these communities is increased and the spirit underlying the quota reservation in employment given by the State, is given effect. The present Bill seeks to make good this inadequacy.

NEW DELHI;  
The 23rd July, 1977.

K. RAMAMURTHY.

## BILL No. 100 OF 1977

*A Bill further to amend the Constitution of India,*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title.

1. This Act may be called the Constitution (Amendment) Act, 1977.

Amend-  
ment of  
the  
Seventh  
Schedule.

2. In the Seventh Schedule to the Constitution,—

(a) in List II—State List, entry 17 shall be omitted;

(b) in List III—Concurrent List, the following entry shall be added at the end, namely:—

“48. Water, that is to say, water supplies, irrigation and canals, drainage and embankments, water storage and water power subject to the provisions of entry 56 of List I.”



## STATEMENT OF OBJECTS AND REASONS

Under the Constitution, primary responsibility for the development of water resources rests with the States. As most of our large rivers flow through two or more States of the Union, several inter-State disputes, difficult for solution, have arisen hampering the progress of irrigation and power development projects.

The Bill, therefore, seeks to transfer the subject of development of water resources from the State List to the Concurrent List to enable the Union Government to formulate, in consultation with the State Governments, plans for the speedy execution of irrigation, power and other river water schemes.

NEW DELHI;  
*The 30th July, 1977.*

K. T. KOSALRAM.

## BILL No. 103 OF 1977

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows.—

Short  
title.

1. This Act may be called the Constitution (Amendment) Act, 1977.

Amend-  
ment of  
article  
341.

2. In article 341 of the Constitution, in clause (1), the words “in relation to that State or Union territory, as the case may be” shall be omitted.

Amend-  
ment of  
article  
342.

3. In article 342 of the Constitution, in clause (1), the words “in relation to that State or Union territory, as the case may be” shall be omitted.

## STATEMENT OF OBJECTS AND REASONS

Any citizen of India who belongs to any caste included in the list of Scheduled Castes and Scheduled Tribes under the provisions of articles 341 and 342 respectively, of the Constitution of India and who ceases to reside in the State to which he belongs and migrates to any other State does not continue to be the member of the Scheduled Caste or Scheduled Tribe, as the case may be, and it results in his deprivation from the various facilities, concessions, benefits and safeguards provided for him under the Constitution of India. India being one country and one State, a person being member of the Scheduled Caste or Scheduled Tribe of one region should remain so even if he voluntarily migrates from the region of his origin to another for any reason. The Bill seeks to remove the disqualification arising to members of the Scheduled Castes and Scheduled Tribes voluntarily migrating from his area of origin in which he is recognised and listed as Scheduled Caste or Scheduled Tribe to another where his Caste or Tribe is not so recognised and listed.

NEW DELHI;

PURNA SINHA.

*The 1st August, 1977.*

## BILL No. 109 OF 1977

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title.

1. This Act may be called the Constitution (Amendment) Act, 1977.

Substitu-  
tion of  
Chapter I  
of Part  
XVII.

2. In part XVII of the Constitution, for Chapter I the following Chapter shall be substituted and shall always be deemed to have been substituted, namely,—

“CHAPTER I.—LANGUAGES OF THE UNION

Official  
languages  
of the  
Union.

343. (1) The official business of the Union shall be conducted in all the languages specified in the Eighth Schedule and written in the script in which such languages are, in the ordinary course, written.

The form of numerals to be used for the official purposes of the Union shall be the international form of Indian numerals.

(2) Notwithstanding anything contained in clause (1), the English language shall continue to be used for all the official purposes of the Union for which it was being used immediately before the commencement of the Constitution (Amendment) Act, 1977.

344. (1) The President shall, within sixty days after the commencement of the Constitution (Amendment) Act, 1977 by order constitute a Commission on official languages which shall consist of a Chairman and such other members representing the different languages specified in the Eighth Schedule as the President may appoint, and the order shall define the procedure to be followed by the Commission.

ommiss-  
sion on  
official  
languages

(2) It shall be the duty of the Commission to make recommendations to the President as to—

(a) the progressive use of the languages specified in the Eighth Schedule for the official purposes of the Union and of any particular region;

(b) the language or languages to be used for all or any of the purposes mentioned in article 348;

(c) any other matter referred to the Commission by the President as regards the official languages of the Union and the languages for communication between the Union and a State or between one State and another and their use.

(3) In making their recommendations under clause (2), the Commission shall have due regard to the industrial, cultural and scientific advancement of India, and the just claims and the interests of persons belonging to the various regions in regard to the public services.

(4) Notwithstanding anything contained in article 343, the President may, after considering the recommendations of the Commission, issue directions in accordance with all or any of such recommendations."

3. In article 349 of the Constitution, the words, brackets and figure "and the report of the Committee constituted under clause (4) of that article." shall be omitted.

Amend-  
ment of  
article  
349.

4. For article 351 of the Constitution, the following article shall be substituted, namely,—

Substitu-  
tion of  
article  
351.

"351. It shall be the duty of the Union to promote the use of the languages specified in the Eighth Schedule and to develop them so that those languages may serve as a medium of expression for all the elements of the composite culture of India and to secure their enrichment by assimilating without interfering with their genius the forms, style and expressions used in such languages."

Directive  
for deve-  
lopment of  
languages

**STATEMENT OF OBJECTS AND REASONS**

India, that is Bharat, has been the cradle of composite culture ever since the beginning of the known history of India. In the present days, when the means of communications are fast and easy, this composite culture would naturally be enriched with the frequent intercourse of the people of the different regions of the country. It will serve no purpose if the people are herded together through devices like imposition of one or two languages for use for the official purposes of the Government of India. Such devices will only hamper and retard the natural growth of the very best in the people of various regions. It is natural for the people to respond, even though in a retarded fashion, to the single language requirement of the Central Government, but this will not help in the genuine development of that composite culture of which the people of India are proud of. It is therefore considered that all the languages specified in the Eighth Schedule should be given equal official status for use of the official purposes of the Union.

The present Bill seeks to provide for the use of all regional languages for official purposes of the Union and matters connected therewith.

NEW DELHI;  
August 1, 1977.

K. RAMAMURTHY.

### FINANCIAL MEMORANDUM

Clause 2 of the Bill provides for the appointment of an Official Languages Commission. The salaries and allowances of the members of the Commission and the establishment thereof will be paid from the Consolidated Fund of India. It will involve a recurring expenditure of about 12.6 lakh rupees and a non-recurring expenditure of about two lakh rupees.

## BILL NO. 131 OF 1977

*A Bill to provide for declaration and public scrutiny of assets of Ministers and Members of Parliament.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
Title, ex-  
tent and  
com-  
mence-  
ment.

1. (1) This Act may be called the Declaration and Public Scrutiny of Assets of Ministers and Members of Parliament Act, 1977.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) “asset” includes all properties, both movable and immovable, held by the Ministers or Members of Parliament legally or in *benami*;



45 of 1860.

(b) "Constitution" means the Constitution of India;

(c) "Indian Penal Code" means the Indian Penal Code of 1860;

(d) "Library" means the Parliament Library;

(e) "Members of Parliament" include Members of Rajya Sabha (Council of States) and Lok Sabha (House of the People);

(f) "Ministers" includes the Prime Minister, Minister, Minister of State and Deputy Minister;

(g) "return" means the inventory of assets submitted to the Speaker;

(h) "Speaker" means the Speaker of Lok Sabha (House of the People).

3. Every Minister and every Member of Parliament shall submit to the Speaker a return of all the assets possessed by him and his dependents within three months after swearing in as a member of either House under article 99 of the Constitution

Declaration of assets.

4. It shall also be incumbent on the part of every Minister and every Member of Parliament to submit annual returns of the assets held by him and his dependents in the month of August every year and state the reasons for increase, if any, in their assets and the sources thereof.

Annual returns.

5. The Speaker after receiving the returns shall place them in the Parliament Library and a true copy of a return shall be made available to any member of public after he pays a fee of rupees one hundred for every return to the Parliament Library.

Availability of returns to the public

6. If any Minister or Member of Parliament fails to submit the return in time, he shall cease to be a Minister or a Member of the House.

Penalty for non-submission of returns.

45 of 1860.

7. In case any return is proved to be false, the Minister or the Member shall be liable to perjury and be punishable under section 193 of Indian Penal Code.

Penalty for submission of wrong returns

## STATEMENT OF OBJECTS AND REASONS

It is an accepted fact that corruption has been corroding the moral fibre of the nation. To root out corruption, the Ministers and Members of Parliament should lead a clean life and earn their living by legitimate ways. They should set an example for others

This measure will inspire others to lead a clean life.

यद्यदाचरति श्रेष्ठस्तत्तदेवेतरो जनः ।

स यत्प्रमाणं कुरुते लोकस्तदनुवर्तते ।।

"Whatever a great man does, is followed by others; people go by the example he sets up."

NEW DELHI;

P. K. DEO

The 8th August, 1977.

## BILL NO. 117 OF 1977

*A Bill to make provision for compulsory registration of political parties under the Societies Registration Act, 1860 and publication of their audited annual accounts*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Registration of Political Parties and Publication of their Annual Accounts Act, 1977.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. In this Act, unless the context otherwise requires,—

(a) "Chartered Accountant" means a chartered accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949, as modified upto 1st October, 1959;

Short  
title,  
extent  
and  
commence-  
ment.

Definitions.

(b) "Constitution" means the Constitution of India;

(c) "Election Commission" means the Election Commission as defined in clause (2) of article 324 of the Constitution;

(d) "expenditure" means all expenses incurred for party propaganda, election, printing of literature, advertisement and all expenditure incurred for promotion of party interest;

(e) "Official Gazette" means the Gazette of India;

(f) "political parties" mean and include such parties or association of persons as have been recognised to be political parties under the Representation of the People Act, 1951, as modified upto 13th September, 1976 and by rules made thereunder;

43 of 1951.

(g) "receipt" means all items received including land, building, cash, vehicles, books, paper, microphones and such other items both movable and immovable;

(h) "The Societies Registration Act" means the Societies Registration Act, 1860, as modified upto 1st September, 1973.

21 of 1860.

Registra-  
tion.

3. All political parties shall be registered under the Societies Registration Act, 1860.

21 of 1860.

Mainten-  
ance of  
accounts.

4. (1) All political parties shall maintain accounts of all their receipts and expenditure.

(2) All receipts shall be accompanied by a list of sources from which they have come.

(3) All expenditure shall be supported by stamped vouchers.

(4) An annual statement of accounts of all receipts and expenditure shall be prepared by all political parties from the 1st day of April upto the 31st day of March every year.

Submis-  
sion of  
annual  
statement  
of receipts  
and  
expendi-  
ture.

5. All political parties shall submit an annual statement of their receipts and expenditure, duly audited and certified by a Chartered Accountant, to the Election Commission.

Publica-  
tion in  
Official  
Gazette.

6. The annual statement of receipts and expenditure of the political parties shall be published in the Official Gazette, by the Election Commission, within one month of the receipt of such annual statements.

De-recog-  
nition of  
political  
party

7 Failure to comply with the provisions of sections 3, 4 and 5 of this Act shall make the political party de-recognised by the Election Commission and the party shall be barred from contesting any election.

## STATEMENT OF OBJECTS AND REASONS

The money flow during the election brings a genuine doubt in the mind of the electorate from where this money comes. Most of the returns, we Members of Parliament submit as election expenses, are not true as they have exceeded the limit prescribed by the Election Commission for such elections.

Further many a time there had been discussions in Parliament about the corrupting influence of C.I.A., K.G.B. and other similar organisations of foreign countries. It is a matter of serious concern as it jeopardises the security of the country. Inside the country, financial support to political parties comes from big business houses in the shape of advertisement in souvenirs, donations or lending jeeps for election purposes and otherwise. Black money (undeclared wealth) is often syphoned to party coffers in a clandestine way. The entire election becomes a mockery. Voters are exploited of their poverty and ignorance.

It is high time that the people of the country should get a clear picture of the sources of income and the manner of expenditure of the political parties. It will check unjustified flow of money to party coffers. Then only the election will be inexpensive. Candidates should be compelled to restrict their election expenses to the prescribed limit.

It is the patriotic duty of every citizen to watch the activities of political parties and to see that even a poor man can afford to contest the election.

Hence this Bill.

NEW DELHI;  
*The 9th August, 1977.*

P. K. DEO.

## BILL NO. 116 OF 1977

*A Bill further to amend the Constitution of India.*

Enacted by Parliament in the Twenty-Eighth Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Amendment) Act, 1977.

2. In article 18 of the Constitution, in clause (2), after the word "title", the words "not being an academic distinction" shall be inserted.

3. Article 32A of the Constitution shall be omitted.

4. In article 74 of the Constitution, in clause (1), for the word "functions", the words "executive functions" shall be substituted.

5. In article 75 of the Constitution, after clause (2), the following *Explanation* shall be inserted, namely:—

*"Explanation* Notwithstanding the provisions of article 74, it shall not be obligatory for the President to consult or to wait for or to accept the advice of the Council of Ministers to determine the office of any Minister from whom he has withdrawn his pleasure."

Short  
title.

Amend-  
ment of  
article  
18.

Omission  
of article  
32A.

Amend-  
ment of  
article  
74.

Amend-  
ment of  
article  
75.

- |   |                                       |
|---|---------------------------------------|
| 6. Clause (4) of article 77 of the Constitution shall be omitted.   | Amend-<br>ment of<br>article<br>77.   |
| 7. In article 103 of the Constitution, after clause (2), the following clause shall be added, namely:—<br>“(3) Notwithstanding the provisions of article 74, the President shall not be bound to accept the advice of the Council of Ministers or of the Election Commission.”.   | Amend-<br>ment of<br>article<br>103.  |
| 8. In article 111 of the Constitution, the following further proviso shall be added at the end, namely:—<br>“Provided further that the President's decision respecting a Bill presented to him for his assent, shall be in his own discretion and he shall not be bound to accept the advice of the Council of Ministers.”. | Amend-<br>ment of<br>article<br>111   |
| 9. Clause (4) of article 123 of the Constitution shall be omitted.  | Amend-<br>ment of<br>article 123.     |
| 10. In article 143 of the Constitution, in clause (2), after the word “may” the words “in his own discretion” shall be inserted.  | Amend-<br>ment of<br>article<br>143.  |
| 11. In article 144A of the Constitution,—<br>(a) in clause (1), for the word “seven”, the word “five” shall be substituted;<br>(b) clause (2), shall be omitted.  | Amend-<br>ment of<br>article<br>144A  |
| 12. Clause (4) of article 166 of the Constitution shall be omitted.   | Amend-<br>ment of<br>article<br>166.  |
| 13. In article 192 of the Constitution, after clause (2), the following clause shall be added, namely:—<br>“(3) Notwithstanding any other provision of the Constitution, in giving his decision the President shall not be bound to accept the advice of the Council of Ministers or of the Election Commission.”.          | Amend-<br>ment of<br>article<br>192.  |
| 14. In sub-clause (c) of clause (2) of article 217 of the Constitution, after the word “President”, the words “acting on his individual judgment” shall be inserted.  | Amend-<br>ment of<br>article<br>217.  |
| 15. Article 226A of the Constitution shall be omitted.  | Omission<br>of article<br>226A.       |
| 16. Clause (4) of article 239B shall be omitted.  | Amend-<br>ment of<br>article<br>239B. |
| 17. Article 329A of the Constitution shall be omitted.  | Omission<br>of article<br>329A.       |

Amend-  
ment of  
article  
341.

18. In clause (1) of article 341 of the Constitution, after the word "President", the words "in his own discretion" shall be inserted.

Amend-  
ment of  
article  
342.

19. In clause (1) of article 342 of the Constitution, after the word "President", the words "in his own discretion" shall be inserted.

Amend-  
ment of  
article  
348.

20. In article 348 of the Constitution,—

(a) in clause (1), after the word "English", the words "or Hindi" shall be inserted;

(b) in clause (2), the words "the Hindi language, or" shall be omitted;

(c) in clause (3), after the word "English", wherever it occurs, the words "or Hindi" shall be inserted.

Amend-  
ment of  
article  
352.

21. In article 352 of the Constitution,—

(a) the following Explanation shall be added to clause (1), namely:—

*"Explanation.—The satisfaction of the President shall mean the individual and personal satisfaction of the President backed by the advice of the Council of Ministers."*

(b) clause (5) shall be omitted.

Amend-  
ment of  
article  
356.

22. In article 356 of the Constitution,—

(a) in clause (4), for the words "one year", wherever they occur, the words "six months" shall be substituted;

(b) clause (5) shall be omitted.

Amend-  
ment of  
article  
357.

23. In clause (2) of article 357 of the Constitution, for the words "continue in force until altered or repealed or amended by a competent Legislature or other authority", the words "continue in force for a further period of six months unless repealed earlier" shall be substituted.

Amend-  
ment of  
article  
360.

24. Clause (5) of article 360 of the Constitution shall be omitted.

Amend-  
ment of  
article  
366

25. In article 366 of the Constitution,—

(a) in clause (2),—

(i) after the word "father", the words "or mother" shall be inserted;

(ii) for the words "male progenitors", the words "male or female progenitors" shall be substituted;

(b) after clause 25, the following clause shall be inserted, namely:—

"(25A) A person shall be deemed to belong to a scheduled caste or tribe, if his father or mother or any of his male or female progenitors belonged to a scheduled caste or tribe;"



## STATEMENT OF OBJECTS AND REASONS

In a written Constitution, the Judiciary is usually called 'the guardian of the Constitution'. Power must necessarily be reposed in some authority to guard that the limits imposed by the Constitution are not violated by any of the organs of the Government. That is why the framers of the Constitution provided for a system of judicial review which is particularly necessary to preserve democracy.

But, the power of judicial review by the Courts has been eroded jealously in the recent years. The last and the most severe blow, which made the Judiciary, the guardian of the Constitution, ineffective, was dealt with by passing the Constitution (Forty-second Amendment) Act, 1976. This Bill seeks to restore the jurisdiction of the Supreme Court and the High Courts to review the constitutional validity of various executive and legislative acts.

Apart from exclusively executive functions under Chapter I of Part V of the Constitution, the President has to exercise some judicial or semi judicial functions also, such as under article 103, where he has to exercise his own discretion. In the recent past a process had been set in to do away with the discretionary powers of the President under the garb of article 74, as amended by 42nd amendment of the Constitution, which is in fact applicable exclusively to executive functions of the President.

This Bill seeks to strengthen the position of the President in the matter of exercise of his discretionary powers. The President should have the power to exercise his own discretion, over and above the advice of the Council of Ministers, in important matters such as Proclamation of Emergency. If he is not personally satisfied, even if so advised by the Council of Ministers, as to the existence of a situation warranting proclamation of Emergency, he should have the discretion to refuse to issue such a Proclamation. On the other hand, he should not be empowered to issue the Proclamation on his own, even if he be so satisfied, unless the Council of Ministers advises him to do so. Existence of such an in-built system of checks and balances will act as a safeguard to democracy.

Article 18 provides for abolition of titles. But, the academic distinctions, being recognition of scholarship, valuable research, etc., should not be placed on the same level as political or similar titles. Academic distinctions should be exempted from the purview of article 18.

Several States have accepted Hindi as their State language. They should have the freedom to use Hindi also in their High Courts along with English. Now, after 30 years of independence, Hindi, the Official language, should be allowed to be used in the Supreme Court along with English.

It is not fair that the age old discrimination between male and female progenitors, as reflected in article 366(2) of the Constitution, should be allowed to be perpetuated in the present set up. This discrimination has been sought to be removed.

Hence this Bill.

NEW DELHI;  
The 10th August, 1977.

MRITYUNJAY PRASAD

## FINANCIAL MEMORANDUM

Clause 20 of the Bill seeks to amend article 348 of the Constitution with a view to provide for use of Hindi language alongwith English in the Supreme Court and the High Courts and for other purposes as specified in clause (1) of article 348. This is likely to involve a recurring expenditure of about Rs. 10 lakhs annually in respect of Supreme Court and High Courts in the Union territories.

No non-recurring expenditure is likely to be involved from the Consolidated Fund of India.

## BILL NO. 114 OF 1977

*A Bill to provide for the establishment of a Crop Insurance Corporation for the purpose of undertaking the business of crop insurance so as to protect the interests of small farmers from loss due to unavoidable causes.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

## CHAPTER I

## PRELIMINARY

1. (1) This Act may be called the Crop Insurance Corporation Act, 1977.

(2) It shall come into force on such date or dates as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act for different States or for different parts thereof

Short  
title,  
extent,  
com-  
mence-  
ment and  
applica-  
tion.

2. In this Act, unless there is anything repugnant in the subject or context,—

Defini-  
tions.

(a) "Board" means the Board of Directors constituted under section 7;

(b) "Corporation" means the Crop Insurance Corporation of India set up under this Act;

(c) "Crop" means and includes paddy, wheat, gram, barley, millet, corn, potato, pulses, sugarcane and such other agricultural commodities which may be notified, from time to time, by the Central Government in the Official Gazette;

(d) "Crop Insurance" means and includes insurance against loss of the insured crop due to unavoidable causes, including drought, flood, hail, wind, frost, winterkill, lightning, fire, excessive rain, snow, wild life, insect infestation, plant disease and such other unavoidable causes as may be prescribed;

(e) "prescribed" means prescribed by rules made under this Act;

(f) "scheme" means a scheme made under this Act for the purpose of providing compulsory insurance to the growers of crops for harvesting.

## CHAPTER II

### THE CROP INSURANCE CORPORATION OF INDIA

Establishment of Crop Insurance Corporation of India.

3. (1) With effect from such date as the Central Government may, by notification in the Official Gazette specify in this behalf, the Central Government shall establish for the purposes of this Act a Corporation known as the Crop Insurance Corporation of India.

(2) The Corporation shall be a body corporate with the name aforesaid, having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property and to contract, and may, by that name, sue and be sued.

Offices and agencies of the Corporation.

4. (1) The head office of the Corporation shall be at Delhi or at such other place as the Central Government may, by notification in the Official Gazette, specify.

(2) The Corporation may, with the previous approval of the Central Government, establish offices or agencies in India.

Capital of the Corporation.

5. (1) The original capital of the Corporation shall be such sum not exceeding five hundred crores of rupees as the Central Government may fix.

(2) The Central Government may from time to time increase the capital of the Corporation to such extent and in such manner as that Government may determine.

(3) Such capital may be provided by the Central Government from time to time after the appropriation made by Parliament by law for due purpose and subject to such terms and conditions as may be determined by that Government.

Management of the Corporation.

6. (1) The general superintendence, direction and management of the affairs and business of the Corporation shall vest in a board of directors which may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation under this Act.

(2) The board of directors, in discharging its functions, shall act on business principles having regard to the interests of the Corporation and shall be guided by such instructions or questions of policy as may be given in writing to it by the Central Government.

(3) If any doubt arises as to whether a question is or is not a question of policy, the decision of the Central Government thereon shall be final.

7. (1) The board of directors of the Corporation shall consist of the following namely:—

(a) a Chairman;

(b) four directors to represent respectively the Ministries of the Central Government dealing with—

(i) food,

(ii) agriculture,

(iii) finance, and

(iv) co-operation;

(c) the Managing Director of the Life Insurance Corporation of India established under section 3 of the Life Insurance Corporation Act, 1956 *ex-officio*;

(d) Controller of Insurance, Ministry of Finance;

(e) a managing director having, at least, five years experience of managing the affairs of one or more statutory corporations in the capacity of a managing director;

(f) three members of Parliament of whom two shall be members of the House of the People and one shall be a member of the Council of States duly elected by their respective Houses;

(g) one person each nominated by the Government of the State in which the crop insurance is in operation;

(2) The Chairman and all the directors of the Corporation, other than the directors referred to in clauses (c), (f) and (g) of sub-section (1), shall be appointed by the Central Government.

(3) The managing director shall—

(a) exercise such powers and perform such duties as the board of directors may entrust or delegate to him; and

(b) receive such salary and allowances as the board of directors may, with the approval of the Central Government, fix:

Provided that the first managing director shall receive such salary and allowances as the Central Government may fix:

(4) The term of office of, and the manner of filling casual vacancies among the chairman and directors of the Board, other than the directors referred to in clauses (c), (f) and (g) of sub-section (1), and the other terms and conditions of their appointment shall, subject to the provisions of sub-section (3), be such as may be prescribed.

Disquali-  
fication  
for office  
of  
Director.

8. A person shall be disqualified for being appointed as, and for being a chairman or director of the Board—

(a) if he is, or at any time has been, adjudicated insolvent or has suspended payment of his debts or has compounded with his creditors; or

(b) if he is of unsound mind and stands so declared by a competent court; or

(c) if he is or has been convicted of any offence which in the opinion of the Central Government involves moral turpitude; or

(d) if he has been removed or dismissed from the service of the Government or a corporation owned or controlled by the Government; or

(e) except in the case of the Chairman or the managing director, if he is a salaried official of the Government or a corporation owned or controlled by the Government.

Removal  
and  
resigna-  
tion of  
Directors.

9. (1) The Central Government may, at any time, after consultation with the Board, remove the managing director from the office after giving him a reasonable opportunity of showing cause against the proposed removal.

(2) The board of directors may remove any director from office who—

(a) is or has become subject to any of the disqualifications mentioned in section 8; or

(b) is absent without leave of the board of directors, from more than three consecutive meetings thereof without sufficient cause, in the opinion of the board, to exonerate his absence.

(3) The Chairman or a director of the board may resign his office by giving notice thereof in writing to the Central Government and on such resignation being accepted, he shall be deemed to have vacated his office.

Meetings  
of the  
Board of  
Directors.

10. (1) The board of directors of the Corporation shall meet at such time and place and shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by the Corporation under this Act.

(2) The Chairman of the board or, if for any reason he is unable to attend any meeting, any other director elected by the directors present at the meeting, shall preside at the meeting.

(3) All questions which come up before any meeting of the board shall be decided by a majority of the votes of the directors present and voting, and in the event of an equality of votes, the Chairman, or in his absence, the person presiding, shall have and exercise a second or casting vote.

11. (1) The Central Government may, in consultation with the Board, by notification in the Official Gazette, constitute one or more Advisory Committees consisting of such persons and on such terms and conditions as may be prescribed.

Constitution of Advisory Committees.

(2) It shall be the duty of any such Advisory Committee to advise the Central Government or the Corporation in regard to any matter connected with the purposes of this Act in respect of which its advice is sought by the Central Government, or by the Corporation, as the case may be.

(3) The expenses in relation to the Advisory Committees shall be met by the Corporation.

12. (1) The Central Government shall, except in the case of initial constitution of the Board, after consultation with the Corporation, appoint a person to be the Secretary of the Corporation.

Secretary and other officers, employees of Corporation.

(2) Subject to such rules as may be made by the Central Government in this behalf, the Corporation may appoint such other officers and employees as it considers necessary for the efficient performance of its functions

(3) The methods of appointment, the conditions of service and the scales of pay of the officers and other employees of the Corporation shall—

(a) as respects the Secretary, be such as may be prescribed by the Central Government;

(b) as respects the officers and employees, be such as may be determined by regulations made by the Corporation under this Act.

### CHAPTER III

#### CROP INSURANCE SCHEME

13. (1) The Central Government shall, as soon as after the commencement of this Act, formulate a scheme providing for compulsory insurance of crops planted for harvesting by farmers who hold not more than five acres of land.

Crop Insurance Scheme.

The scheme shall, *inter alia* provide for the following namely:—

(a) the terms and conditions of crop insurance;

(b) the terms and conditions of multiple crop insurance, i.e., insurance of two or more agricultural commodities under one contract with the farmer;

(c) the extent to which the insurance loss may be covered;

(d) rate of premium to be paid by the farmer;

(e) procedure for payment of claims for losses in agricultural commodities and the manner of payment.

(2) The scheme made under sub-section (1) may, be modified by the Corporation subject to the condition that any such modification shall come into force after it has received the approval of the Central Government.



Duty of  
the Cor-  
poration.

14. It shall be the duty of the Corporation to administer the scheme.

#### CHAPTER IV FINANCE AND AUDIT

Crop  
Insurance  
Fund.

15. (1) All contributions paid under this Act and all other moneys received on behalf of the Corporation shall be paid into a fund called the Crop Insurance Fund which shall be held and administered by the Corporation for the purposes of this Act.

(2) The Corporation may accept grants, donations and gifts from the Central or any State Government, local authority or any individual or body whether incorporated or not, for all or any of the purposes of this Act.

(3) Subject to the other provisions contained in this Act and to any rules or regulations made in this behalf, all moneys accruing or payable to the said Fund shall be paid into the Reserve Bank of India or such other bank as may be approved by the Central Government to the credit of an account styled as the account of the Crop Insurance Fund.

(4) Such account shall be operated on by such officers as may be authorised by the Corporation.

Purposes  
for which  
Fund  
may be  
expended.

16. Subject to the provisions of this Act and of any rules made by the Central Government in that behalf, the Crop Insurance Fund shall be expended only for the following purposes, namely:—

(i) payments against losses covered by crop insurance in accordance with the provisions of this Act or the scheme made thereunder and defraying the charges and costs in connection therewith;

(ii) payment of fees and allowances to the members of the Board of Directors and other Committees/Boards which may be constituted to carry out the purposes of this Act;

(iii) payment of salaries, leave and joining time allowances, travelling and compensatory allowances, gratuities and compassionate allowances, pensions, contributions to provident or other benefit fund of officers and employees of the Corporation and meeting the expenditure in respect of offices and other services set up for the purpose of giving effect to the provisions of this Act;

(iv) defraying the cost (including all expenses) of auditing the accounts of the Corporation and of the valuation of its assets and liabilities;

(v) such other purposes as may be prescribed.

Mainten-  
ance of  
accounts  
of the  
Corpora-  
tion.

17. The Corporation shall maintain correct accounts of its income and expenditure in such form and in such manner as may be prescribed by the Central Government.



18. (1) The accounts of the Corporation shall be audited by auditors who are qualified as auditors of companies under the law for the time being in force relating to companies, and the auditors shall be appointed by the Corporation with the previous approval of the Central Government and shall receive such remuneration from the Corporation as the Central Government may fix.

Audit of  
Accounts.

(2) Every auditor in the performance of his duties shall have at all reasonable times access to the books, accounts and other documents of the Corporation and may for the purposes of the audit, call for such explanation and information as they may require or may examine any principal or any other officer of the Corporation.

(3) The auditors shall submit their report together with an audited copy of the accounts of the Corporation to the Corporation and shall also forward a copy of such report to the Central Government.

19. The Corporation shall, at intervals of five years, cause an investigation to be made by actuaries into the financial condition of its insurance business, including the valuation of its assets and liabilities and submit the report of the actuaries to the Central Government.

Valuation  
of assets  
and  
liabilities.

20. The Corporation shall, as soon as may be, after the end of each financial year prepare and submit to the Central Government in such form, as may be prescribed, a report giving an account of its activities during the previous financial year, and an account of the activities, if any, which are likely to be undertaken by the Corporation in the current and the immediately following financial year.

Annual  
Report

21. The Central Government shall cause the report of the auditors under section 18, the report of the actuaries under section 19 and the report giving an account of the activities of the Corporation under section 20 to be laid before both the Houses of Parliament, as soon as may be, after each such report is received by the Central Government.

Reports  
to be  
placed  
before  
Parlia-  
ment.

## CHAPTER V

### MISCELLANEOUS

4 of 1938. 22. The Central Government may, by notification in the Official Gazette, direct that all or any of the provisions of the Insurance Act, 1938 shall apply to the Corporation, subject to such conditions and modifications, not inconsistent with this Act.

Power to  
extend  
Insurance  
Act, 1938.

23. The Central Government may give directions to a State Government as to the carrying into execution of any scheme of crop insurance in that State.

Power of  
Central  
Govern-  
ment to  
give  
directions.

24. (1) The Chairman and every director of the Board shall be indemnified by the Corporation against all losses and expenses incurred by him in, or in relation to, the discharge of his duties except such as are caused by his own wilful act or default.

Indemnity  
of Chair-  
man and  
directors.

(2) A director of the Board shall not be responsible for the acts of any other director or of any other officer or other employee of the Corporation, or for any loss or expenses resulting to the Corporation from the insufficiency or deficiency of value of or title to any property or security acquired or taken on behalf of the Corporation or the insolvency or wrongful act of any debtor or any person under obligation to the Corporation or anything done in good faith in the execution of the duties of his office or in relation thereto.

Protection of action taken in good faith.

25. No suit or prosecution or other legal proceedings shall lie against the Chairman or any director of the Board or any employee of the Corporation for anything which is, in good faith, done or intended to be done in pursuance of this Act

Power to make rules.

26. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matter, namely:—

(a) the term of office of, and the manner of filling casual vacancies among, and the other terms and conditions of appointment of, the directors of the Corporation;

(b) the composition of Advisory Committees and the terms and conditions of service of members thereof;

(c) the additional functions which the Corporation may perform;

(d) the remuneration or fees payable to the members of the board of directors and the term of office of, and the manner of filling casual vacancies among, such members;

(e) the manner in which the Corporation may invest its funds;

(f) the form of the annual statement of accounts and the balance sheets to be prepared by the Corporation;

(g) any other matter which has to be or may be prescribed.

(3) Every rule made by the Central Government under this section, every scheme under section 13 and any modification thereto shall be laid as soon as may be, after it is made, before each House of Parliament while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification to the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power of Corporation to make regulations.

27. (1) The Corporation may, subject to the condition of previous publication and with the previous approval of the Central Government, by notification in the Gazette of India, make regulations not inconsistent with this Act and the rules made thereunder to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(a) the powers and functions of the Corporation which may be delegated to the zonal managers who may be appointed under the scheme;

(b) the method of recruitment of employees and agents of the Corporation and the terms and conditions of service of such employees or agents;

(c) the manner in which the funds of the Corporation shall be maintained;

(d) the conduct of business at meetings of the Corporation;

(e) The formation of the Committees of the Corporation and the delegation of powers and functions of the Corporation to such committees and conduct of business at meetings of such committees;

(f) the form and manner in which policies may be issued and contracts binding the Corporation may be executed;

(g) the manner in which and the interval within which the accounts of the various zonal offices, divisional offices and branch offices may be inspected and their accounts audited;

(h) the conditions subject to which any payment may be made by the Corporation;

(i) the matters necessary for efficient conduct of the affairs of the Corporation.

## STATEMENT OF OBJECTS AND REASONS

Every year crores of rupees are spent both by the Central and State Governments in compensating the farmers affected by floods, drought and other natural calamities which ultimately increase the burden on the tax-payer without creating a sense of confidence among the farmers. If this amount of public funds, thus spent, is utilised for purposes of insuring crops grown by small farmers for harvesting, the ultimate burden on the Exchequer would be, if not less, the same as it is being spent by way of relief given to the victims of what we commonly call 'Acts of God'. The compulsory crop insurance scheme would generate faith and confidence in the farmers and give them an incentive to devote their whole-hearted attention towards improving the agricultural produce both in quantity and quality and thereby enhance the economic progress of the country.

Hence the Bill.

K. RAMAMURTHY

NEW DELHI;

*The 21st September, 1977.*

## FINANCIAL MEMORANDUM

Clause 3 of the Bill seeks to establish the Crop Insurance Corporation of India. Taking into consideration the enormity of the insurance scheme which the present Bill seeks to provide for, it has been provided in clause 5 that the original capital of the Corporation shall be a sum not exceeding five hundred crores of rupees which has to be provided by the Central Government from time to time from the Consolidated Fund of India after due appropriation made by Parliament. Other expenditure which might have to be incurred in setting up of the Corporation is not ascertainable at this stage.

The recurring expenditure of the Corporation will be met from the Fund of the Corporation.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 13 empowers the Central Government to formulate a scheme providing for compulsory insurance of crops grown by farmers for harvesting.

Clause 26 empowers the Central Government to make rules to carry out the purposes of the Act. Clause 27 provides for making of regulations by the Corporation. These powers, delegated to the Central Government and the Corporation, relate to matters of details and are of normal character.

## BILL NO 125 OF 1977

*A Bill further to amend the Constitution (Scheduled Castes) Order, 1950, the Constitution (Scheduled Castes) (Union Territories) Order, 1951, the Constitution (Dadra and Nagar Haveli) Scheduled Castes Order, 1962, the Constitution (Pondicherry) Scheduled Castes Order, 1964 and the Constitution (Goa, Daman and Diu) Scheduled Castes Order, 1968.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Constitution (Scheduled Castes) Orders (Amendment) Act, 1977.

(2) It shall come into force at once.

C.O. 19. 2. (1) In the Constitution (Scheduled Castes) Order, 1950, paragraph 3 shall be omitted.

C.O. 32. (2) In the Constitution (Scheduled Castes) (Union Territories) Order, 1951, paragraph 3 shall be omitted.

C.O. 64. (3) In the Constitution (Dadra and Nagar Haveli) Scheduled Castes Order 1962, proviso to paragraph 2 shall be omitted

C.O. 68. (4) In the Constitution (Pondicherry) Scheduled Castes Order, 1964, proviso to paragraph 2 shall be omitted.

C.O. 81. (5) In the Constitution (Goa, Daman and Diu) Scheduled Castes Order, 1968, proviso to paragraph 2 shall be omitted.

Short  
title,  
and  
commen-  
cement,  
Amend-  
ment of  
Scheduled  
Castes  
Orders.

## STATEMENT OF OBJECTS AND REASONS

The Bill seeks to remove the discrimination, disabilities and oppression which the converts from the Scheduled Caste origin to Islam, Christianity or Buddhism suffer under our sovereign, democratic and secular Republic of India. It is clear from article 16(4) read with article 46 of the Constitution that the State shall promote the educational and economic interests of not only the members of Hindu Scheduled Castes but also equally of all other socially and economically weaker sections of the people whether they profess Hinduism, Christianity, Islam or Buddhism. The existing paragraph 3 of the Constitution (Scheduled Castes) Order, 1950 offends the secular character of the State and victimises those who have embraced Islam, Christianity or Buddhism by depriving them equality of treatment in the matter of State aid and other facilities normally granted to Scheduled Caste citizens.

By removal of paragraph 3 in the Constitution (Scheduled Castes) Order, 1950, paragraph 3 of the Constitution (Scheduled Castes) (Union Territories) Order, 1951, proviso to paragraph 2 of the Constitution (Dadra and Nagar Haveli) Scheduled Castes Order, 1962, proviso to paragraph 2 of the Constitution (Pondicherry) Scheduled Castes Order, 1964 and proviso to paragraph 2 of the Constitution (Goa, Daman and Diu) Scheduled Castes Order, 1968, it is intended to restore equality in the matter of conferring economic benefits on all classes of people regardless of religion.

The State would be spelling out its secular duty and obligation to uplift all the downtrodden and economically depressed communities of all religions, as per the Directive Principles enshrined in the Constitution, through the enactment of this Bill. This will restore confidence in the minorities by removing all shades of frustration among them.

The Bill constitutes a New Deal to the minorities—Muslims, Buddhists and Christians from the Scheduled Caste origin.

NEW DELHI;

G. S. REDDI

The 1st October, 1977.



## FINANCIAL MEMORANDUM

The approximate number of Christian, Buddhist and Muslim members of the Scheduled Caste origin is about 3 crores. The enforcement of this legislation resulting in the grant of scholarships, boarding grants, free hostel facilities and other benefits to the Christian, Buddhist and Muslim members of the Scheduled Caste origin will involve an expenditure from the Consolidated Fund of India of Rs. 10 crores approximately. This will be a recurring expenditure.

No non-recurring expenditure is likely to be incurred.

## BILL No. 119 OF 1977

*A Bill to repeal the Maintenance of Internal Security Act, 1971.*

Be it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title.

1. This Act may be called the Maintenance of Internal Security (Repeal) Act, 1977.

Repeal.

2. The Maintenance of Internal Security Act, 1971 is hereby repealed. 28 of 1971

## STATEMENT OF OBJECTS AND REASONS

The Maintenance of Internal Security Act, 1971 is an ill-designed piece of legislation. It is a draconian law and a blot on the Statute Book.

In the changed political atmosphere, in which democratic rights and liberties have been restored and further expansion of those rights is being aspired for, the continuance of this black Act is considered to be inconsistent

The Act is, therefore, to be repealed.

Hence this Bill.

New DELHI;  
The 3rd October, 1977.

CHITTA BASU.

## BILL No 120 OF 1977

*A Bill further to amend the Constitution of India.*

Enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title and  
commence-  
ment

1. (1) This Act may be called the Constitution (Amendment) Act, 1977.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amend-  
ment of  
article  
311.

2. In article 311 of the Constitution, part (c) of second proviso to clause (2) shall be omitted.

## STATEMENT OF OBJECTS AND REASONS

Article 311 of the Constitution provides for the dismissal, removal, or reduction in rank of persons employed in civil capacities under the union or a State. But it has provided that no such person as aforesaid shall be dismissed or removed or reduced in rank except after an inquiry in which he has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges. Other safeguards have also been provided to ensure natural justice.

However, in part (c) of second proviso to clause (2) of the said article it has been provided that no such inquiry shall be necessary if the President or Governor as the case may be, is satisfied that in the interest of the security of State it is not expedient to hold such inquiry. This is felt to be an anachronism and likely to do mischief. The object of the Bill is to do away with this.

CHITTA BASU

NEW DELHI;

*The 3rd October, 1977.*

## BILL No. 123 OF 1977

*A Bill to repeal the Maintenance of Internal Security Act, 1971 and the Defence of India Act, 1971.*

Be it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows:—

Short  
title.

Repeal of  
Act 36 of  
1971.

Repeal of  
Act 43 of  
1971.

1. This Act may be called the Emergency Laws (Repeal) Act, 1977.
2. The Maintenance of Internal Security Act, 1971 is hereby repealed.
3. The Defence of India Act, 1971 is hereby repealed.

## STATEMENT OF OBJECTS AND REASONS

The Maintenance of Internal Security Act, 1971 is a piece of draconian legislation. During the previous regime, this law was misused and was taken recourse to for the purpose of stifling all democratic activities and against political opposition to further ends of not only a particular political party but also of an individual.

Similarly, Defence of India Act, 1971 was abused for political purposes. Now that the Proclamations of Emergency have been revoked, there is no reason why such draconian laws should continue any longer in the Statute Book. There is almost unanimous demand by the people of the country for repeal of such black laws.

Hence this Bill.

NEW DELHI;  
The 10th October, 1977.

SOMNATH CHATTERJEE.

AVTAR SINGH RIKHY,  
*Secretary.*

